LABOUR PROGRAM

Workplace Gazette

An Industrial Relations Quarterly

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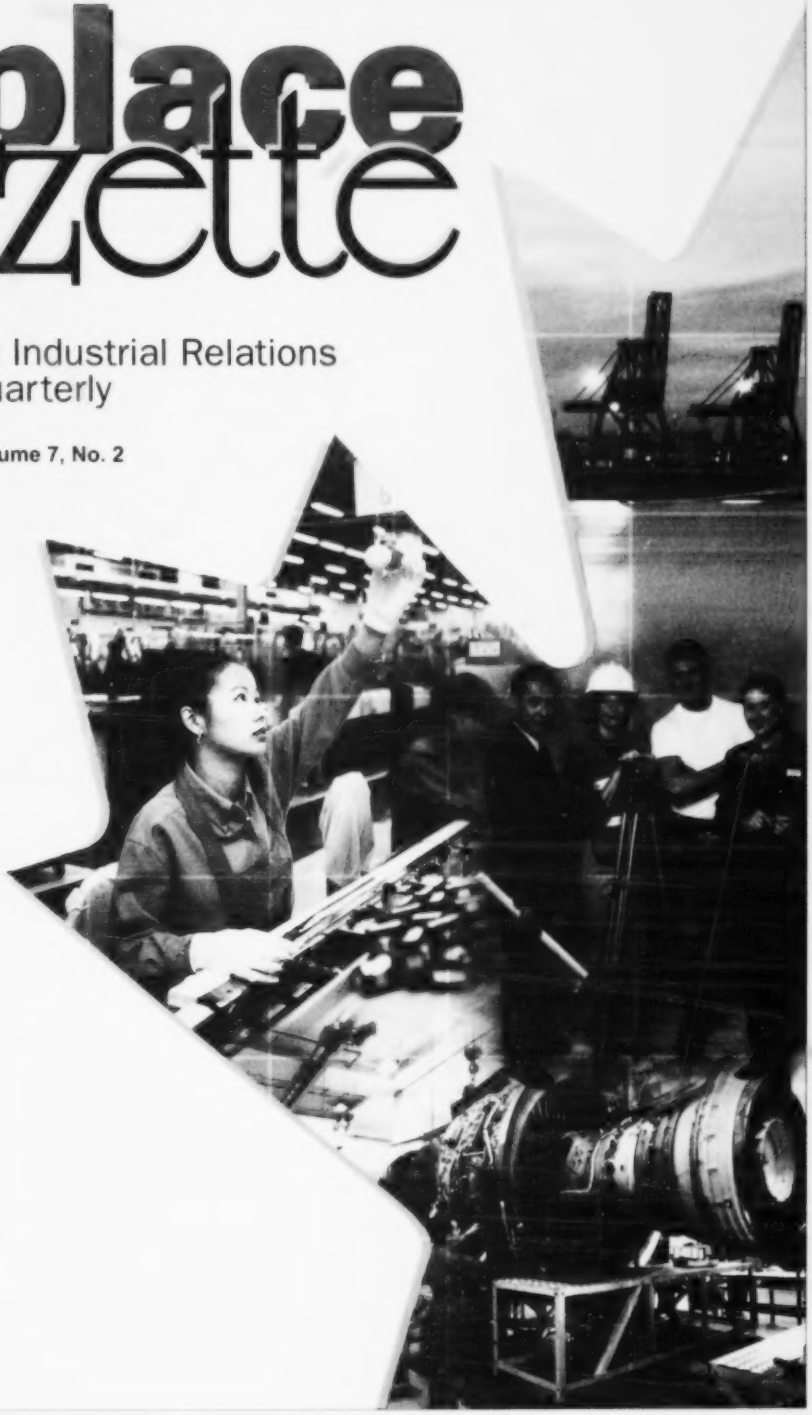

Summer 2004

- 360-Degree Feedback at PACCAR of Canada Ltd.
- Volunteer Work Provisions
- Compassionate Care Benefit—A New Alternative for Family Caregivers

Government of Canada Gouvernement du Canada

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Workplace gazette

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AT A GLANCE

The *Workplace Gazette* presents a wide range of information and analysis to meet the ever-changing needs of the industrial relations community. Its purpose is to provide a sound base for research in support of the bargaining process.

The *Workplace Gazette* includes information and analysis on wage adjustments, collective agreement provisions, innovative workplace practices, work stoppages, upcoming key negotiations and other related topics.

The Summer 2004 issue includes first quarter data for 2004 on wage adjustments in major collective agreements, both current and historical, by public and private sectors, by region/jurisdiction and by major industry. Also, included is a listing of major settlements reached in the first quarter 2004 and information on work stoppages for the fourth quarter of 2003 and the first quarter of 2004. An overview of selected provisions highlights retirement plans in collective agreements. Innovative practices in the workplace resulting from collective bargaining are summarized.

An overview of recent conferences funded by Labour-Management Partnerships Program is provided and a case study describes 360-Degree Feedback at PACCAR of Canda Ltd. Examples of volunteer work provisions and compassionate care benefits are described.

Recent changes in Canadian Labour Laws focus on adopted bills, regulations and other statutory instruments. The Departmental Library is offering reading material on managing workplace conflict.

Finally, Yesterday and Today looks at union security provisions.

Table of Contents

Page

WAGES AND WORK ENVIRONMENT

Major Wage Settlements—First Quarter 2004 7

Major Settlements Reached in the First Quarter 2004 12

Wage Settlements Tables 16

Work Stoppages 26

Selected Provisions in Collective Agreements—*Retirement Plans*
Marie-Ève BÉDARD 33

Innovative Workplace Practices
Bruce ALDRIDGE 51

ARTICLES

- Summary of Recent Conferences and Research Funded by the Labour-Management Partnerships Program and Ongoing Project Listing
Federal Mediation and Conciliation Service 55

- Compassionate Care Benefit—A New Alternative for Family Caregivers
J. DAWE 62

- 360-Degree Feedback at PACCAR of Canada Ltd.
Brigitte BANVILLE and Sylvie ST-ONGE 63

- Volunteer Work Provisions
Marie-Ève BÉDARD 69

continued on next page

Page

CANADIAN LABOUR LAWS

- Adopted Bills, Regulations and Other Statutory Instruments
  Michel GAUVIN
  Charles Philippe ROCHON
  Annick DELISLE 71

READERS' CORNER—DEPARTMENTAL LIBRARY

- Managing Workplace Conflict
  Michèle AUGER
  Fred LONGLEY
  Edward POPOFF 78

YESTERDAY AND TODAY

- Union Security Provisions
  Suzanne PAYETTE 81

Information Products and Client Services
(See last pages for Description and Order Form)

The content of this publication has been prepared by members of The Canadian Association of Professional Employees and the Public Service Alliance of Canada.

MAJOR WAGE SETTLEMENTS*

First Quarter 2004

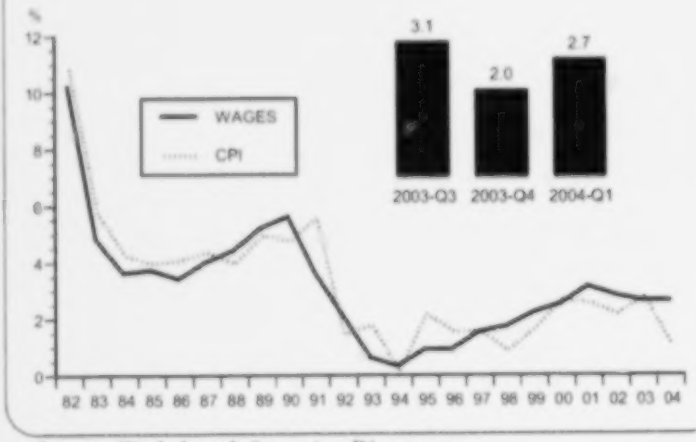
Summary

Major collective bargaining settlements reached in **the first quarter 2004** provided base rate wage increases averaging **2.7 per cent** annually over the term of the contracts, up from 2.0 per cent in the previous quarter and up fractionally from the average of 2.6 per cent for the year 2003. The first quarter 2004 results are based on a review of 72 settlements with a coverage of 139,300 employees.

When the parties to these first quarter settlements previously negotiated, the resulting wage adjustments averaged 3.6 per cent, higher than in their current settlements. Contract duration in the first quarter 2004 averaged 28.8 months, compared to 31.7 months in the previous round of settlements.

Chart A

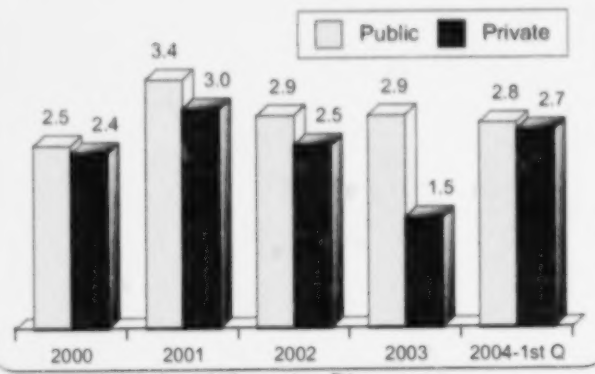
Major Wage Settlements
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate.

Chart B

Major Wage Settlements by Public/Private Sectors
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate.

Public and Private Sectors

Wage settlements in the first quarter were largely comprised of public-sector agreements (50 of 72 contracts covering 72.2 per cent of all workers). Average wage increases in the public sector were a fraction higher than those in the private sector. The **public-sector** wage increases averaged **2.8 per cent** for 100,630 employees. The **private-sector** average for 38,670 employees in 22 agreements was **2.7 per cent.**

* Major settlements are those involving bargaining units of 500 or more employees. All wage rate adjustments over the term of these agreements, including those arising from cost-of-living clauses (COLA), are taken into account. The yield of such COLA clauses is estimated on an assumed 2.0 per cent annual increase in the Consumer Price Index.

Distribution of Agreements and Employees by Range of Wage Adjustments

Adjustment Range	Agreements Number	Agreements Percentage	Employees Number	Employees Percentage
Less than 0%	1	1.4	13,500	9.7
0% (no increase)	1	1.4	1,000	0.7
Over 0% to 0.9%	2	2.8	2,870	2.1
1.0% to 1.9%	2	2.8	1,650	1.2
2.0% to 2.9%	17	23.6	28,850	20.7
3.0% to 3.9%	39	54.2	74,010	53.1
4.0% to 4.9%	6	8.3	12,300	8.8
5.0% to 5.9%	2	2.8	1,450	1.0
6.0% to 6.9%	2	2.8	3,670	2.6
ALL LEVELS	72	100.0	139,300	100.0

Note: Due to rounding, percentages may not always equal 100 per cent.

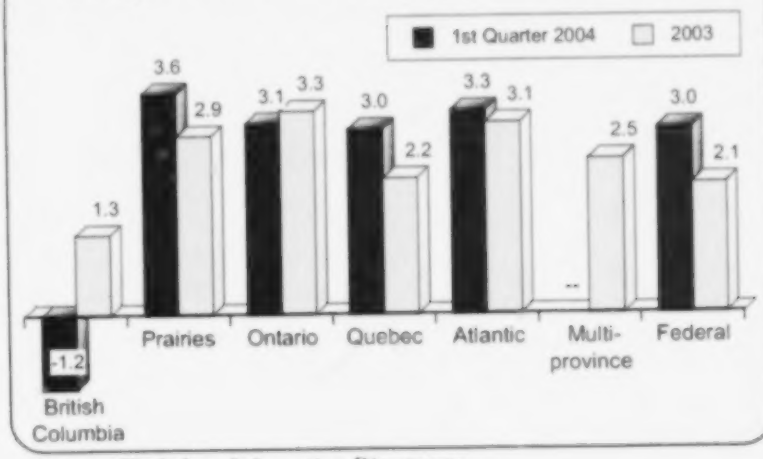
Source: Workplace Information Directorate.

Distribution of Wage Adjustments

In the first quarter 2004, a majority of employees (53.1 per cent) received wage increases in the 3.0 to 3.9 per cent range and 20.7 per cent of employees received increases in the 2.0 to 2.9 per cent range. Approximately 13.7 per cent of employees received adjustments below the 1.0 per cent level (including 9.7 per cent of employees with a wage cut and 0.7 per cent with a wage freeze). A modest percentage (12.4 per cent) of employees received increases of 4.0 per cent and over.

Chart C

Major Wage Settlements by Region/Jurisdiction
Average Annual Percentage Adjustment in Base Rates



Source: Workplace Information Directorate.

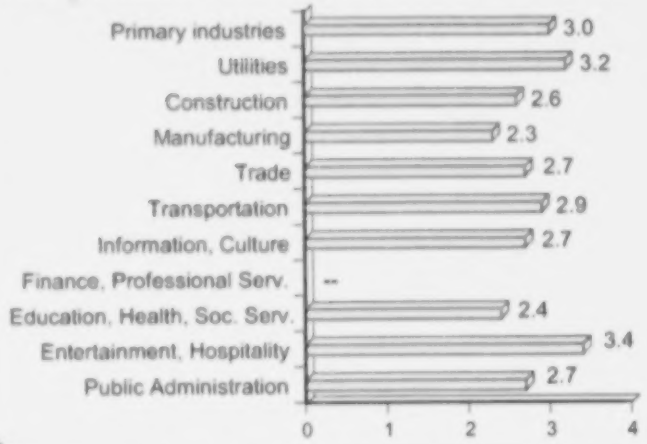
Region/Jurisdiction

On a regional/jurisdictional basis, Alberta posted the largest wage gain in the first quarter, at 3.7 per cent; overall, the Prairie Provinces (21 agreements, 38,050 employees) averaged increases of 3.6 per cent. The smallest average wage adjustment was recorded in British Columbia (5 agreements, 16,630 employees) at minus 1.2 per cent; this was due to a wage cut of 4.1 per cent for 13,500 workers with the Health Employers Association of British Columbia. Excluding this health-sector agreement, the remaining 71 agreements across Canada

averaged 3.2 per cent in the first quarter (compared to the aggregate figure of 2.7 per cent). In the Federal jurisdiction, wage adjustments averaged 3.0 per cent for 18,630 employees in 8 agreements. Wage increases in Ontario settlements (26 agreements, 47,220 employees) averaged 3.1 per cent; in Quebec (8 agreements, 11,780 employees), 3.0 per cent; and in the Atlantic Provinces (4 agreements, 6,990 employees), 3.3 per cent.

Chart D

Major Wage Settlements by Industry
Average Annual Percentage Adjustment in Base Rates



Source : Workplace Information Directorate.

Industry

On an industry basis, the largest concentration of agreements (43.1 per cent), and employees (43.8 per cent), was in **the education, health and social services sector,** with 61,040 workers obtaining average wage gains of **2.4 per cent** in 31 settlements. The largest industry average was in **public administration,** where 16 agreements provided 28,230 employees with wage gains averaging **3.4 per cent.** The smallest increase was in **manufacturing** where 10 agreements provided 9,900 employees with wage gains averaging **2.3 per cent.** Wage increases in the remaining industry sectors, in decreasing order were: **utilities sector** at **3.2 per cent; primary industries** at **3.0 per cent; transportation** at **2.9 per cent; trade** and **information and culture,** both at **2.7 per cent** and **construction** at **2.6 per cent.**

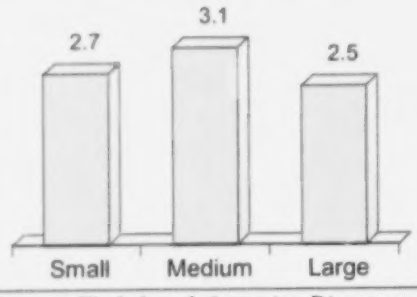
Wage Data for the First Quarter 2004 for Small, Medium and Large Bargaining Units

Among the 98 collective bargaining settlements reached in the first quarter of 2004, 26 settlements were in small bargaining units (between 100 and 499 employees), 55 were in medium bargaining units (500 to 1,999 employees), and 17 were in large bargaining units with 2,000 employees or more.

SMALL bargaining units reported an average increase of **2.7 per cent. Public-sector** settlements provided an average increase of **3.2 per cent,** much higher than the **private-sector** wage adjustment of **2.3 per cent.** On an industry basis, the **public administration** sector had the highest wage adjust-

Chart E

Average Annual Adjustment by Size of Bargaining Units



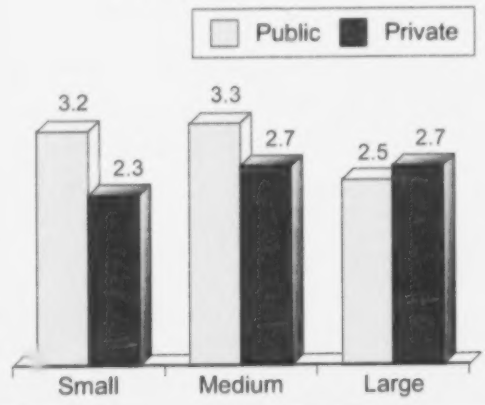
Source: Workplace Information Directorate.

ment at **3.6 per cent** while **wholesale and retail trade, manufacturing** and **information and culture** sectors reported the lowest average at **2.2 per cent.** On a regional/jurisdictional basis, average increases ranged from a high of **3.2 per cent** in the **Atlantic Provinces** to a low of **2.2 per cent** in **Manitoba.**

MEDIUM bargaining units reported a third quarter average wage increase of **3.1 per cent. Public-sector** settlements resulted in an average increase of **3.3 per cent,** compared to the **private-sector** figure of **2.7 per cent.** On an industry basis, the **education, health and social services** and the **construction** sectors had the highest wage adjustment at **3.4 per cent** while **manufacturing** reported the lowest average at **2.0 per cent.** On a regional/jurisdictional basis, average increases ranged from a high of **3.6 per cent** in **Quebec** to a low of **2.5 per cent** in **British Columbia.**

Chart F

Average Annual Percentage Adjustment by Size of Bargaining Units, by Public/Private Sectors

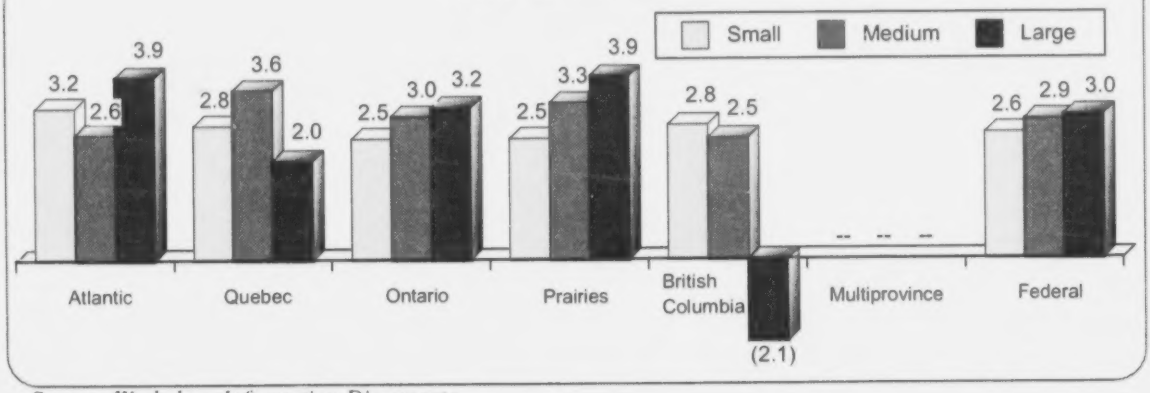


Source: Workplace Information Directorate.

LARGE bargaining units reported a wage increase of **2.5 per cent.** Settlements in the **public sector** provided an average increase of **2.5 per cent** while **private-sector** settlements resulted in an average increase of **2.7 per cent.** On an industry basis, the **public administration** sector had the highest wage adjustment at **3.5 per cent** while the **education, health and social services** sector reported the lowest increase at **1.8 per cent.** On a regional/jurisdictional basis, average increases ranged from a high of **3.9 per cent** in the **Prairies** and the **Atlantic Provinces** to a low of **minus 2.1 per cent** in **British Columbia** caused by an agreement signed in March 2004 by the Health Employers Association of British Columbia resulting in a wage reduction of 2.1 per cent for 13,500 employees.

Chart G

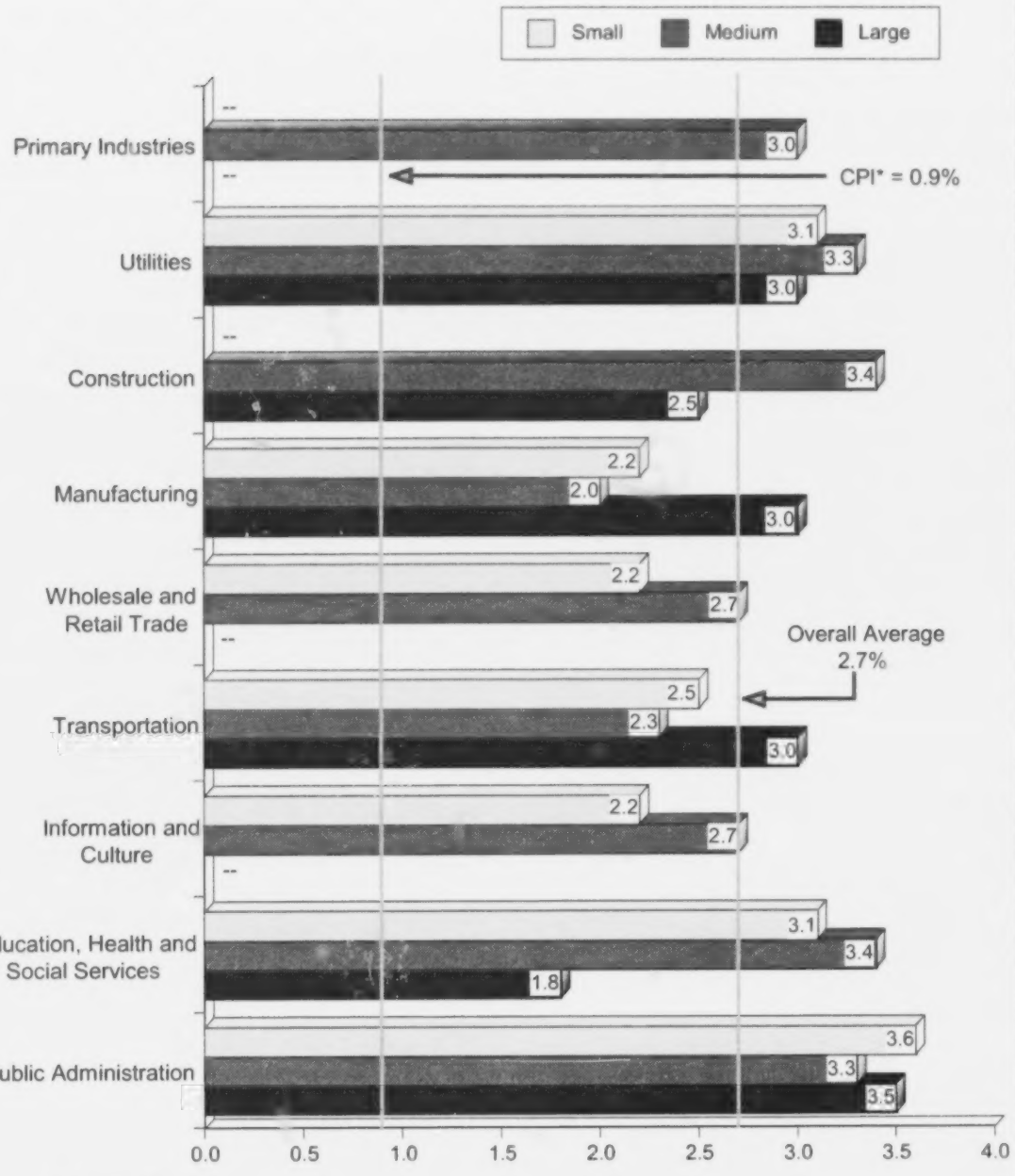
Average Annual Percentage Adjustment by Size of Bargaining Units, by Region/Jurisdiction



Source: Workplace Information Directorate.

Chart H

Average Annual Percentage Adjustment by Size of Bargaining Units, by Industry



* Per cent change from the same period last year.

Source: Workplace Information Directorate.

Major Settlements Reached in the First Quarter 2004

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Primary Industries (3 agreements)	**3,380**	**3.0**	**3.6**	**36.0**	
Falconbridge Limited, production employees, Falconbridge, Ont.	1,050	2.3*	3.4	36.0	2007-01-31
Highland Valley Copper, production employees, Logan Lake, B.C.	780	3.7	5.0	36.0	2006-09-30
Suncor Energy Inc., Oil Sands, mine employees, Fort McMurray, Alta.	1,550	3.2	3.0	36.0	2007-04-30
Utilities (4 agreements)	**4,580**	**3.2**	**3.2**	**16.0**	
Bruce Power LP, scientific and other professionals, Toronto, Ont.	810	4.0	4.0	12.0	2004-12-31
Enbridge Gas Distribution, utility workers, province-wide, Ont.	770	3.0	3.0	36.0	2006-12-31
Ontario Power Generation Inc., scientific and other professionals, province-wide, Ont.	900	3.0	3.0	12.0	2004-12-31
Ontario Power Generation Inc., scientific and other professionals, province-wide, Ont.	2,100	3.0	3.0	12.0	2004-12-31
Construction (2 agreements)	**15,200**	**2.6**	**2.6**	**36.0**	
Electrical Trade Bargaining Agency Electrical Contractors Assn., electricians, province-wide, Ont.	14,000	2.5	2.5	36.0	2007-04-30
Mechanical Contractors Association of N.B. Inc., plumbers and pipefitters, province-wide, N.B.	1,200	3.4	3.4	36.0	2006-06-30
Manufacturing (10 agreements)	**9,900**	**2.3**	**2.1**	**32.7**	
Alcan Smelters and Chemicals Ltd. (Arvida), hourly-rated employees, Jonquière, Que.	2,290	3.0	3.0	12.0	2004-12-31
Alcan Smelters and Chemicals Ltd. (Laterrière), production employees, Laterrière, Que.	500	3.0	3.0	12.0	2004-12-31
Brasseries Molson, production employees, Montréal, Que.	1,300	2.1*	1.9	84.0	2010-12-21
Camco Inc., production employees, Hamilton, Ont.	1,000	0.0	0.0	20.0	2005-12-31
Camco Inc., production employees, Montréal, Que.	800	3.1*	3.0	36.0	2007-03-04
Canadian General-Tower Limited, plant and maintenance employees, Cambridge, Ont.	500	2.4	2.4	12.0	2005-02-28
DuPont Canada Inc., plant and maintenance employees, Kingston, Ont.	1,150	2.4	2.7	36.0	2007-01-27
General Electric Canada Inc., plant and maintenance employees, Pickering, Ont.	650	3.1*	3.1	36.0	2007-02-15

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Hershey Canada Inc., plant and maintenance employees, Smiths Falls, Ont.	560	2.4	1.7	36.0	2007-01-31
Trenton Works Ltd., production employees, Trenton, N.S.	1,150	1.3*	0.0	36.0	2006-10-31
Wholesale and Retail Trade (1 agreement)	**950**	**2.7**	**1.9**	**36.0**	
Great Atlantic & Pacific Company of Canada Limited, grocery distribution centre employees, Toronto, Ont.	950	2.7	1.9	36.0	2006-10-11
Transportation (4 agreements)	**14,920**	**2.9**	**3.0**	**42.8**	
Canadian National Railway Company, office employees, system-wide, excluding Nfld.	2,430	3.0	3.0	36.0	2006-12-31
Canadian National Railway Company, shopcraft employees, system-wide	2,780	3.0	3.0	36.0	2006-12-31
Canadian Pacific Railway and St. Lawrence & Hudson Railway, non-operating employees, system-wide	1,210	2.3	3.0	36.0	2006-12-31
Purolator Courier Limited, couriers, Canada-wide	8,500	3.0	3.0	48.0	2007-12-31
Information and Culture (1 agreement)	**1,100**	**2.7**	**2.5**	**36.0**	
Bell Canada, sales personnel, province-wide, Ont. and Que.	1,100	2.7	2.5	36.0	2006-12-31
Education, Health and Social Services (31 agreements)	**61,040**	**2.4**	**2.5**	**27.1**	
Black Gold Regional Division No. 18, elementary and secondary teachers, Nisku, Alta.	510	2.1	2.1	12.0	2003-08-31
Calgary Laboratory Services (CLS), health service employees, Calgary, Alta.	950	5.5*	5.5	36.0	2005-06-30
Calgary Roman Catholic Separate School District No. 1, support employees, Calgary, Alta.	1,360	3.2	3.0	60.0	2007-08-31
Centre for Addiction and Mental Health, health service employees, Toronto, Ont.	1,700	3.0	3.0	36.0	2005-03-31
College Compensation and Appointments Council, academic staff, province-wide, Ont.	8,600	3.7	3.5	24.0	2005-08-31
District School Board of Niagara, elementary teachers, St. Catharines, Ont.	1,500	4.1	4.2	24.0	2004-08-31
Dufferin-Peel Catholic District School Board, educational services, Mississauga and area, Ont.	500	1.5	1.5	7.0	2004-09-30
Elk Island Public Schools Regional Division No. 14, elementary and secondary teachers, Elk Island, Alta.	950	2.0	2.0	12.0	2004-08-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education Health and Social Services (continued)					
Government of Alberta, health and social care professionals, province-wide, Alta.	560	3.5	3.5	12.0	2004-08-31
Government of Alberta, health service employees, province-wide, Alta.	1,190	3.5	3.5	12.0	2004-08-31
Grand Erie District School Board, secondary teachers, Brantford, Ont.	670	3.5	2.5	36.0	2004-08-31
Halton District School Board, occasional teachers, Burlington, Ont.	600	3.9	3.0	24.0	2004-08-31
Hamilton-Wentworth Catholic District School Board, educational services, Hamilton, Ont.	640	3.0	3.0	24.0	2005-08-31
Health Authorities of Prince Edward Island, administrative services employees, province-wide, P.E.I.	640	3.2	4.0	36.0	2006-03-31
Health Employers Association of British Columbia, non-medical employees, province-wide, B.C.	13,500	-2.1	-4.1	24.0	2006-03-31
Nova Scotia Association of Health Organizations, nurses, province-wide, N.S.	4,000	3.9	5.7	36.0	2006-10-31
Peel District School Board, custodial and maintenance employees, Mississauga, Ont.	840	4.0	4.0	12.0	2004-08-31
Peel District School Board, office employees, Mississauga, Ont.	600	4.1	4.1	12.0	2004-08-31
Pembina Trails School Division, elementary and secondary teachers, Winnipeg, Man.	1,010	3.0	3.0	24.0	2004-06-30
Provincial Health Authorities of Alberta, paramedical professional employees, province-wide, Alta.	7,700	4.7*	5.5	36.0	2005-03-31
Red Deer Public School District No. 104, elementary and secondary teachers, Red Deer, Alta.	520	2.5	2.5	12.0	2004-08-31
Seven Oaks School Division No.10, elementary and secondary teachers, Seven Oaks, Man.	630	3.0	3.0	24.0	2005-06-30
Sisters of Charity of Ottawa Health Service, health service, maintenance and trade employees, Ottawa, Ont.	860	3.0	3.0	36.0	2005-03-31
Toronto Catholic District School Board, secondary teachers, Toronto, Ont.	2,070	6.1	6.1	12.0	2004-08-31
Université de Montréal, professors, Montréal, Que.	1,420	3.6	3.2	24.0	2005-05-31
Université de Québec à Montréal, support employees, Montréal, Que.	1,800	2.6	2.6	6.0	2004-11-30
Université de Sherbrooke, lecturers, Sherbrooke, Que.	2,070	0.8	2.1	48.0	2007-12-31
Université Laval, lecturers, Québec, Que.	1,600	6.3	15.3	36.0	2006-04-30
University of Victoria, teaching assistants, Victoria, B.C.	800	0.4	1.3	36.0	2006-08-31

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Industry and Employer	No. of Employees	Average Annual Adjustment	First Year Adjustment	Duration (months)	Expiry Date YY-MM-DD
Education Health and Social Services (continued)					
Upper Canada District School Board, occasional teachers, Brockville, Ont.	500	5.2	5.2	12.0	2004-08-31
York Catholic District School Board, office employees, Aurora, Ont.	750	2.5	2.5	24.0	2005-08-31
Public Administration (16 agreements)	**28,230**	**3.4**	**3.5**	**20.5**	
City of Calgary, police officers, Calgary, Alta.	1,440	3.3	3.7	27.0	2006-03-31
City of New Westminster, inside and outside employees, New Westminster, B.C.	740	2.6*	2.5	48.0	2006-12-31
City of Toronto, firefighters, Toronto, Ont.	2,950	3.5	3.5	36.0	2004-12-31
City of Vancouver, firefighters, Vancouver, B.C.	810	3.3*	3.8	48.0	2006-12-31
City of Winnipeg, administrative services employees, Winnipeg, Man.	550	3.0	4.5	36.0	2006-10-11
City of Winnipeg, police officers, Winnipeg, Man.	1,550	3.4	3.5	24.0	2004-12-23
Government of Alberta, administrative and program services employees, province-wide, Alta.	2,860	3.5	3.5	12.0	2004-08-31
Government of Alberta, administrative and support employees, province-wide, Alta.	7,060	3.5	3.5	12.0	2004-08-31
Government of Alberta, correctional officers, province-wide, Alta.	2,070	3.5	3.5	12.0	2004-08-31
Government of Alberta, general trades employees (non-construction), province-wide, Alta.	580	3.5	3.5	12.0	2004-08-31
Government of Alberta, natural resource conservation employees, province-wide, Alta.	850	3.5	3.5	12.0	2004-08-31
Government of Alberta, social workers, province-wide, Alta.	2,670	3.5	3.5	12.0	2004-08-31
Government of Alberta, technical employees, province-wide, Alta.	1,490	3.5	3.5	12.0	2004-08-31
Government of Canada, field interviewers, Canada-wide	850	4.6	3.2	48.0	2004-11-30
Government of Canada, regional office interviewers, Canada-wide	690	2.8	3.5	36.0	2004-11-30
Government of Canada, translators, Canada-wide	1,070	2.5	2.5	24.0	2005-04-18
Agreements with COLA (9 agreements)	**15,150**	**3.8***	**4.2**	**41.3**	
Agreements without COLA (63 agreements)	**124,150**	**2.6**	**2.6**	**27.3**	
All Agreements (72 agreements)	**139,300**	**2.7**	**2.8**	**28.8**	

* Agreement with cost-of-living allowances (COLA) calculated at a projected 2.0 per cent inflation rate.

Source: Workplace Information Directorate.

Table 1

Major Wage Settlements—All Sectors by Year and Quarter

		Number of Agreements	Number of Employees	Duration in Months	% Wage Adjustment
YEAR					
1985		516	838,620	24.5	3.7
1986		553	1,121,456	25.6	3.4
1987		478	1,111,330	29.9	4.0
1988		542	1,182,742	25.3	4.4
1989		453	1,001,786	29.6	5.2
1990		507	1,146,353	28.4	5.6
1991		547	1,345,643	18.2	3.6
1992		496	1,306,765	24.3	2.1
1993		518	1,412,471	23.9	0.7
1994		434	942,583	28.4	0.3
1995		402	908,803	32.8	0.9
1996		378	810,415	32.6	0.9
1997		379	692,219	33.9	1.5
1998		412	938,310	31.9	1.7
1999		379	828,140	36.0	2.2
2000		406	1,081,030	34.7	2.5
2001		426	988,220	33.4	3.2
2002		364	989,460	29.4	2.8
2003		341	617,200	35.6	2.6
2004*		72	139,300	28.8	2.7
* Year-to-Date					
QUARTER					
2003	I	86	107,010	31.7	2.8
	II	130	236,610	32.8	2.5
	III	47	136,240	42.3	3.1
	IV	78	137,340	37.0	2.0
2004	I	72	139,300	28.8	2.7

Table 2

Major Wage Settlements—Public and Private Sectors by Year and Quarter

	Public Sector				Private Sector			
	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjusment	Number of Agreements	Number of Employees	Duration in Months	% Wage Adjusment
YEAR								
1985	316	566,785	21.7	3.8	200	271,835	30.1	3.3
1986	321	709,241	25.3	3.6	232	412,215	26.0	3.0
1987	270	824,298	29.4	4.1	208	287,032	31.4	3.8
1988	301	698,603	24.0	4.0	241	484,139	27.2	5.0
1989	294	736,003	30.0	5.2	159	265,783	28.6	5.2
1990	283	677,830	27.4	5.6	224	468,523	29.7	5.7
1991	365	1,121,668	16.0	3.4	182	223,975	29.2	4.4
1992	301	975,874	21.7	2.0	195	330,891	32.2	2.6
1993	347	1,012,003	23.4	0.6	171	400,468	25.2	0.8
1994	299	719,824	26.5	0.0	135	222,759	34.5	1.2
1995	215	629,625	31.5	0.6	187	279,178	35.9	1.4
1996	212	564,293	31.7	0.5	166	246,122	34.7	1.7
1997	220	370,325	30.3	1.1	159	321,894	38.1	1.8
1998	221	646,270	31.1	1.6	191	292,040	33.7	1.8
1999	219	510,590	35.0	2.0	160	317,550	37.6	2.7
2000	302	917,090	33.5	2.5	104	163,940	41.5	2.4
2001	260	693,400	32.0	3.4	166	294,820	36.5	3.0
2002	251	762,910	26.1	2.9	113	226,550	40.7	2.5
2003	248	471,140	32.9	2.9	93	146,060	44.3	1.5
2004*	50	100,630	26.4	2.8	22	38,670	35.2	2.7
* Year-to-Date								
QUARTER								
2003 I	62	80,550	28.7	2.9	24	26,460	40.8	2.4
II	95	174,990	29.5	3.1	35	61,620	42.3	0.8
III	34	121,690	41.7	3.2	13	14,550	47.5	2.3
IV	57	93,910	31.7	2.2	21	43,430	48.3	1.6
2004 I	50	100,630	26.4	2.8	22	38,670	35.2	2.7

Table 3

Wage Adjustment—All Sectors
Region/Jurisdiction by Year and Quarter

	2002	2003	2003–2004 2	3	4	1
	%	%	%	%	%	%
Canada	2.8	2.6	2.5	3.1	2.0	2.7
Atlantic	4.1	3.1	3.5	4.2	2.7	3.3
Newfoundland and Labrador	6.6	3.1	-	5.0	2.2	-
Prince Edward Island	4.9	3.2	-	-	3.0	3.2
Nova Scotia	2.4	3.3	3.1	3.3	2.0	3.3
New Brunswick	2.7	2.8	3.8	-	2.9	3.4
Quebec	2.1	2.2	2.5	1.9	2.3	3.0
Ontario	3.0	3.3	3.5	3.7	2.9	3.1
Prairies	4.2	2.9	2.3	3.5	2.9	3.6
Manitoba	4.0	2.8	2.0	3.8	2.7	3.2
Saskatchewan	4.0	3.0	2.6	3.1	-	-
Alberta	4.5	3.0	2.5	3.3	3.6	3.7
British Columbia	1.9	1.3	1.5	2.5	0.8	-1.1
Territories	3.0	2.5	2.5	-	2.5	-
Multiprovince	4.3	2.4	2.8	1.8	-	-
Federal	2.7	2.1	0.8	3.1	3.0	3.0

Table 4

Wage Adjustment—Public and Private Sectors
Region/Jurisdiction by Year and Quarter

	2002	2003	2003–2004 2	3	4	1
	%	%	%	%	%	%
PUBLIC SECTOR						
Canada	2.9	2.9	3.1	3.2	2.2	2.8
Atlantic	4.3	3.2	-	4.2	2.7	3.8
Newfoundland and Labrador	7.2	4.5	-	5.0	-	-
Prince Edward Island	4.9	3.0	-	-	3.0	3.2
Nova Scotia	2.3	3.4	-	3.3	-	3.9
New Brunswick	3.0	2.3	-	-	2.3	-
Quebec	2.0	2.1	2.4	1.8	2.1	3.1
Ontario	2.9	3.6	3.6	4.0	3.8	3.7
Prairies	4.8	3.2	3.3	3.5	2.9	3.6
Manitoba	4.6	3.0	3.0	3.8	2.7	3.2
Saskatchewan	4.5	3.4	-	3.1	-	-
Alberta	5.2	3.5	3.4	3.3	3.6	3.7
British Columbia	2.2	1.2	1.5	2.9	0.5	-1.3
Territories	3.0	2.5	2.5	-	2.5	-
Multiprovince	-	-	-	-	-	-
Federal	2.9	3.0	2.6	3.2	4.0	3.1
PRIVATE SECTOR						
Canada	2.5	1.5	0.8	2.3	1.6	2.7
Atlantic	2.7	2.9	3.5	-	2.6	2.4
Newfoundland and Labrador	3.0	2.5	-	-	2.2	-
Prince Edward Island	-	3.6	-	-	-	-
Nova Scotia	4.0	2.7	3.1	-	2.0	1.3
New Brunswick	1.4	3.7	3.8	-	3.5	3.4
Quebec	2.5	2.6	2.9	2.7	2.6	2.8
Ontario	3.2	2.0	2.4	2.3	1.3	2.4
Prairies	1.5	1.4	1.3	-	-	4.0
Manitoba	1.3	0.6	0.6	-	-	-
Saskatchewan	1.6	2.6	2.6	-	-	-
Alberta	1.6	1.6	1.4	-	-	4.0
British Columbia	1.4	1.4	1.7	2.0	1.3	3.7
Territories	-	-	-	-	-	-
Multiprovince	4.3	2.4	2.8	1.8	-	-
Federal	2.4	0.5	-0.2	2.5	2.7	2.8

Table 5

Major Wage Settlements—Industry Division by Year and Quarter

	2002	2003	2003–2004 2	3	4	1
All Industries						
Number of Agreements	362	341	130	47	78	72
Number of Employees	986,610	615,380	236,610	136,240	137,340	139,300
Duration in Months	29.5	35.8	32.8	42.3	37.0	28.8
% Wage Adjustment	2.8	2.6	2.5	3.1	2.0	2.7
Primary Industries						
Number of Agreements	3	2	1	-	-	3
Number of Employees	1,880	1,410	730	-	-	3,380
Duration in Months	36.5	36.0	36.0	-	-	36.0
% Wage Adjustment	2.1	2.7	3.8	-	-	3.0
Utilities						
Number of Agreements	15	13	7	1	2	4
Number of Employees	19,130	25,850	19,620	550	3,510	4,580
Duration in Months	33.0	33.8	32.8	36.0	36.0	16.0
% Wage Adjustment	2.4	2.4	2.2	2.4	2.4	3.2
Construction						
Number of Agreements	12	5	2	1	2	2
Number of Employees	23,660	3,110	1,110	800	1,200	15,200
Duration in Months	47.4	44.2	37.4	48.0	48.0	36.0
% Wage Adjustment	1.2	2.7	2.4	1.8	3.5	2.6
Manufacturing						
Number of Agreements	50	46	16	7	8	10
Number of Employees	92,530	41,860	13,450	7,940	5,830	9,900
Duration in Months	38.4	41.1	44.2	44.2	41.1	32.7
% Wage Adjustment	3.5	2.4	2.5	2.3	2.6	2.3
Wholesale and Retail Trade						
Number of Agreements	19	15	6	2	7	1
Number of Employees	51,720	47,230	12,280	1,350.0	33,600	950
Duration in Months	45.2	50.7	53.1	60.6	49.4	36.0
% Wage Adjustment	1.8	1.3	1.0	3.1	1.3	2.7

Table 5 (continued)

Major Wage Settlements—Industry Division
by Year and Quarter

	2002	2003	2003–2004 2	3	4	1
Transportation						
Number of Agreements	72	25	6	6	6	4
Number of Employees	29,580	112,800	38,010	57,080	8,630	14,920
Duration in Months	31.5	44.0	39.5	47.6	40.4	42.8
% Wage Adjustment	2.4	2.0	0.4	2.9	2.5	2.9
Information and Culture						
Number of Agreements	8	10	3	1	4	1
Number of Employees	23,160	10,590	3550	700	2,770	1,100
Duration in Months	34.6	39.8	42.1	24.0	39.9	36.0
% Wage Adjustment	3.0	2.2	2.9	3.0	2.8	2.7
Finance and Professional Services						
Number of Agreements	8	6	2	1	2	-
Number of Employees	12,560	5,030	1,320	1,280	1,250	-
Duration in Months	55.2	39.3	41.3	24.0	56.2	-
% Wage Adjustment	2.1	2.5	2.0	2.5	3.1	-
Education, Health and Social Services						
Number of Agreements	167	162	76	12	27	31
Number of Employees	490,620	231,620	112,790	24,240	30,420	61,040
Duration in Months	23.6	26.8	25.1	24.8	29.7	27.1
% Wage Adjustment	3.0	3.4	3.4	4.3	3.6	2.4
Entertainment and Hospitality						
Number of Agreements	12	8	1	1	2	-
Number of Employees	10,400	7,270	520	1,240	1,600	-
Duration in Months	43.6	42.2	36.0	48.0	48.0	-
% Wage Adjustment	2.5	2.6	3.3	1.8	2.6	-
Public Administration						
Number of Agreements	56	49	10	15	18	16
Number of Employees	231,370	128,610	33,230	41,060	48,530	28,230
Duration in Months	30.0	37.0	37.5	44.9	30.7	20.5
% Wage Adjustment	2.6	2.3	2.9	3.0	1.2	3.4

Table 6

Major Wage Settlements—Public Sector Breakdown by Year and Quarter

	2002	2003	2003–2004 2	3	4	1
Federal Administration						
Number of Agreements	11	4	1	3	-	3
Number of Employees	54,800	20,650	10,500	10,150	-	2,610
Duration in Months	34.6	33.2	32.0	34.5	-	35.0
% Wage Adjustment	2.9	3.1	2.4	3.8	-	3.3
Federal Crown Corporations						
Number of Agreements	4	7	2	2	2	-
Number of Employees	5,390	60,650	8,030.0	48,700	2,150	-
Duration in Months	36.3	45.3	43.8	47.7	27.1	-
% Wage Adjustment	2.7	3	2.9	3.0	3.8	-
Provincial Administration						
Number of Agreements	24	24	3	-	14	6
Number of Employees	135,570	62,730	8,380	-	43,710	14,720
Duration in Months	27.0	31.4	35.0	-	29.8	12.0
% Wage Adjustment	2.3	1.7	3.8	-	1.0	3.5
Local Administration						
Number of Agreements	31	40	9	16	10	6
Number of Employees	62,230	74,450	17,740	38,050	12,900	8,040
Duration in Months	34.5	43.7	41.5	46.8	41.8	34.4
% Wage Adjustment	3.0	2.7	2.9	2.6	2.7	3.3
Education, Health and Welfare						
Number of Agreements	168	162	75	12	29	31
Number of Employees	490,290	226,640	112,090	24,240	31,640	62,950
Duration in Months	23.7	26.6	25.1	24.8	30.2	26.3
% Wage Adjustment	3.0	3.4	3.4	4.3	3.6	2.4
Public Utilities						
Number of Agreements	11	10	5	1	2	4
Number of Employees	11,780	23,630	18,250	550	3,510	12,310
Duration in Months	32.6	35.1	34.0	36.0	36.0	36.9
% Wage Adjustment	3.1	2.3	2.2	2.4	2.4	3.1

Table 7

Selected Economic Indicators by Year and Quarter

	2002	2003	2003–2004 2	3	4	1
Wage Adjustment (%)						
Ratified Agreements	2.8	2.6	2.5	3.1	2.0	2.7
Public Sector	2.9	2.9	3.1	3.2	2.2	2.8
Private Sector	2.5	2.5	0.8	2.3	1.6	2.7
Wage Adjustment (%)						
Agreements in Force	3.0	2.6	2.8	2.6	2.5	2.4
Public Sector	3.2	2.7	2.9	2.7	2.6	2.5
Private Sector	2.6	2.4	2.5	2.4	2.3	2.2
†**Consumer Price Index**						
Percentage Change[1]	2.2	2.8	2.8	2.1	1.7	0.9
†**GDP[2] at Basic Prices[3]**						
Percentage Change[1]	3.2	2.1	1.8	1.3	1.9	1.7
†**Labour Productivity Growth (%)**	1.2	-0.1	-0.8	-0.2	-0.1	0.0
†**Unit Labour Cost (%)**	0.5	1.5	2.3	1.8	1.2	1.2
†**Unemployement Rate[3] (%)**	7.7	7.6	7.7	7.9	7.5	7.4
†**Employment[3] (000's)**	15,412	15,746	15,700	15,733	15,875	15,919
Percentage Change[1]	2.2	2.2	2.3	1.5	1.8	1.6
†**Average Weekly Earnings[3]**	$681.81	$689.60	$688.44	$689.71	$694.11	$698.58
Percentage Change[1]	2.0	1.2	1.3	1.1	1.2	1.8
†**Average Hourly Earnings**	$17.09	$17.20	$17.14	$17.22	$17.40	$17.57
Percentage Change[1]	1.8	0.7	0.1	1.0	2.2	3.1

[1] Percentage change from the same period of the previous year.

[2] GDP—Gross domestic product at factor cost (1997) prices.

[3] Seasonally adjusted data.

† Statistics Canada.

† Department of Finance Canada.

TECHNICAL NOTES

The information in this report is produced from collective agreement settlements in Canada which cover 500 or more employees in all industries. A few settlements are excluded where the basis of payment is on a piece/mileage rate basis.

The construction industry is excluded prior to 1983.

The Base Rate

The base rate is the lowest paid classification used for qualified employees in the bargaining unit. In most instances, the base rate is the rate of pay for an unskilled or semi-skilled classification of workers. However, this is not the case in contracts covering only skilled workers and professional employees.

As only the base rate in a contract is used, the resulting data on percentage change do not necessarily reflect the average wage change for all employees in the bargaining unit. For example, where an across-the-board increase is negotiated for all classifications in cents per hour (or other money terms), measurement on the base rate produces higher results than measurement on any higher rate, including the average rate. Where varying percentage or money increases are negotiated for different classifications, measurement on the base rate may produce results that are higher or lower than measurement on the average rate. Where an across-the-board increase is negotiated for all classifications in percentage terms, measurement on the base rate produces results identical to measurement on any other rate, including the average rate. It should be noted that information on the average rate for all employees in a bargaining unit is not available.

Effective Wage Increase

The effective wage increase is the increase in rates of pay including estimated **cost-of-living allowance (COLA)** payments. Estimates of the yield of COLA clauses are obtained by quantifying the characteristics of these clauses in each agreement and applying a combination of actual Consumer Price Index (CPI) increases available to date plus a specified projected inflation rate for the remainder of the contract duration. In succeeding quarters, these estimates are revised using actual CPI values as they become available.

In the current report, an **inflation projection of 2.0 per cent** has been used when the actual rate is unknown. This figure is based on a rounded average of inflation forecasts and is intended for illustrative purposes only and does not constitute an official forecast by Human Resources and Skills Development Canada. The use of different inflation rate scenarios could result in varying settlement increases. The inflation projection used will be revised periodically to reflect prevailing economic conditions.

By including reasonable estimates of future payments under COLA clauses, the effective wage increase concept facilitates an accurate comparison of agreements with and without COLA and permits the aggregation of all agreements to yield an improved measure of wage settlements.

Public and Private Sectors

The principal unit of observation is the collective bargaining unit; however, the designation for inclusion in the public sector is by reference to characteristics of the employer with whom a bargaining unit negotiates. Reference to the employer characteristics makes the directives consistent with Statistics Canada's use of "institutional units" or "entities."

While the criteria relate to the classification of the public sector only, *the private sector is defined by exclusion.*

Public sector bargaining units negotiate wages or other working conditions with an employer who is part of, or an agent of, a government or a government business enterprise. The distinction between the two

is whether the activity engaged in is "non-commercial" (Government) or "commercial" (Government Business Enterprise).

Government (Non-Commercial)

The government component comprises all non-commercial entities controlled by governments and mainly financed out of general taxation or other public funds. These entities provide goods and/or services free or at non-market prices (not having a view to profit).

Sub-sectors of the government component are identified below:

(1) Federal Government

Collective bargaining in the federal government component is conducted under the *Public Service Staff Relations Act* (Parts 1 and 2), and the *Parliamentary Employment and Staff Relations Act*.

(2) Provincial and territorial governments

(a) provincial and territorial government administration;
(b) health, education and social services agencies or institutions:
  (i) public hospitals,
  (ii) provincial residential care facilities,
  (iii) universities,
  (iv) colleges, vocational and trade institutions,
  (v) social services business enterprise,
  (vi) provincial elementary and secondary schools.

(3) Local Government Administration

(a) local government organizations such as: municipalities, boards, commissions;
(b) school boards;
(c) social services: establishments at the local level primarily engaged in providing basic domiciliary care only, such as homes for the aged, blind or senile, boarding houses for the aged, day nurseries, shelters, etc.

Government Business Enterprise (Commercial)

The commercial component of the public sector is divided into three broad sub-groupings, based on degree of governmental control, as follows:

(1) Direct Control

A commercial enterprise is directly controlled by a government if one of the following conditions is met:
(a) a government holds more than 50 per cent of its voting equity, directly;
(b) a government has irrevocable options or the right to acquire shares, or convertible debt or equity, exercisable at the discretion of that government.

(2) Effective Control

A commercial enterprise is effectively controlled by a government if one of the following conditions is met:
(a) the government holds a significant voting ownership in a public enterprise, where "significant" is understood as:
  (i) the holding is the largest block of voting equity; and
  (ii) the holding exceeds 33.3 per cent of the voting equity; and
  (iii) the block is larger than the combined percentage of the next two largest blocks;
(b) the commercial enterprise declares that it is effectively controlled by a government;
(c) there exists a method or variety of methods (e.g. significant voting ownership of the enterprise, technological agreements, supply controls or contracts, management contracts, interlocking directorships, etc.)

(3) Indirect Control

A business enterprise is indirectly controlled by a government if that government directly or effectively controls a government business enterprise, which in turn directly or effectively controls that enterprise.

WORK STOPPAGES

Workplace Information Directorate
Labour Program, Human Resources and Skills Development Canada

First Quarter 2004 (500 or More Employees)

There were seven work stoppages involving 500 and more employees during the first quarter of 2004 in Canada. Three major work stoppages accounted for 93 per cent of the person-days not worked. The strike involving Canadian National Railway Company and National Automobile, Aerospace, Transportation and General Workers Union of Canada represented 112 380 person-days not worked, 71 per cent of the total. In Ontario, the work stoppage of 1 100 employees of Falconbridge Limited represented 17 290 person-days not worked and accounted for 11 per cent of the total. Finally, the work stoppage between Hershey Canada Inc. and National Automobile, Aerospace, Transportation and General Workers Union of Canada accounted for 17 140 person-days not worked which represented another 11 per cent of the total person-days not worked.

Table 1

Major Work Stoppages—First Quarter 2004

by Jurisdiction

Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	-	-	-
Prince Edward Island	-	-	-
Nova Scotia	-	-	-
New Brunswick	-	-	-
Quebec	3	5,430	10,160
Ontario	2	1,700	34,430
Manitoba	-	-	-
Saskatchewan	1	1,130	500
Alberta	-	-	-
British Columbia	-	-	-
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	**6**	**8,260**	**45,090**
Canada Labour Code—Part I	1	5,540	112,380
Federal Administration	-	-	-
Federal Total	**1**	**5,540**	**112,380**
Total	**7**	**13,800**	**157,470**

by Industry

Industries	Stoppages	Employees Involved	Person-Days Not Worked
Primary Industries	1	1,100	17,290
Utilities	-	-	-
Construction	-	-	-
Manufacturing	1	600	17,470
Wholesale and Retail Trade	-	-	-
Transportation	1	5,540	112,380
Information and Culture	-	-	-
Finance and Professional Services	-	-	-
Education, Health and Social Services	3	5,730	9,000
Entertainment and Hospitality	-	-	-
Public Administration	1	830	1,660
Various Industries	-	-	-
Total	**7**	**13,800**	**157,470**

Source : Workplace Information Directorate.

Fourth Quarter 2003 (One or More Employees)

Please note that the following data refers to work stoppages which began during the quarter as well as those carried over from all previous quarters.

Table 2A

All Work Stoppages
Cumulative to December 31, 2003

by Jurisdiction

Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	8	5,860	56,980
Prince Edward Island	1	5	550
Nova Scotia	4	636	17,370
New Brunswick	3	514	7,810
Quebec	106	21,335	700,130
Ontario	92	23,694	493,380
Manitoba	9	1,488	13,420
Saskatchewan	3	153	9,020
Alberta	2	95	2,050
British Columbia	10	17,726	193,890
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	**238**	**71,506**	**1,494,600**
Canada Labour Code—Part I	21	6,571	247,150
Federal Administration	2	400	800
Federal Total	**23**	**6,971**	**247,950**
Total	**261**	**78,477**	**1,742,550**

by Industry

Industries	Stoppages	Employees Involved	Person-Days Not Worked
Primary Industries	11	7,838	281,240
Utilities	1	37	790
Construction	-	-	-
Manufacturing	91	19,376	577,470
Wholesale and Retail Trade	32	9,818	256,090
Transportation	20	6,645	48,020
Information and Culture	9	2,459	192,330
Finance and Professional Services	10	866	28,840
Education, Health and Social Services	44	26,988	284,210
Entertainment and Hospitality	28	2,957	56,330
Public Administration	15	1,493	17,230
Various Industries	-	-	-
Total	**261**	**78,477**	**1,742,550**

Source : Workplace Information Directorate.

First Quarter 2004 (One or More Employees)

Please note that the following data refers to work stoppages which began during the quarter as well as those carried over from all previous quarters.

Table 2B

All Work Stoppages
Cumulative to March 31, 2004

by Jurisdiction

Jurisdiction	Stoppages	Employees Involved	Person-Days Not Worked
Nfld. and Labrador	2	53	150
Prince Edward Island	-	-	-
Nova Scotia	3	355	5,230
New Brunswick	1	37	2,370
Quebec	48	8,182	88,609
Ontario	29	3,170	52,440
Manitoba	1	16	350
Saskatchewan	2	1,226	2,520
Alberta	-	-	-
British Columbia	4	381	6,220
Territories	-	-	-
Multiprovince	-	-	-
Total Provinces	**90**	**13,420**	**157,889**
Canada Labour Code— Part I	7	5,787	120,820
Federal Administration	-	-	-
Federal Total	**7**	**5,787**	**120,820**
Total	**97**	**19,207**	**278,709**

by Industry

Industries	Stoppages	Employees Involved	Person-Days Not Worked
Primary Industries	2	1,093	17,950
Utilities	-	-	-
Construction	-	-	-
Manufacturing	23	1,989	42,579
Wholesale and Retail Trade	7	362	16,540
Transportation	7	5,767	114,800
Information and Culture	5	204	9,010
Finance and Professional Services	4	78	4,240
Education, Health and Social Services	22	6,870	25,390
Entertainment and Hospitality	21	1,932	44,430
Public Administration	6	912	3,770
Various Industries	-	-	-
Total	**97**	**19,207**	**278,709**

Source : Workplace Information Directorate.

*A weekly listing of **major work stoppages in Canada** and a **full chronological perspective** are available on the Workplace Information Directorate Website at*

http://www.hrsdc.gc.ca/en/lp/wid/info.shtml.

All Work Stoppages

Table 3
A Chronological Perspective of All Work Stoppages

Period	Number Beginning Month or Year	In Existence During Year or Month[1]			Percentage of Estimated Working Time
		Total Number	Employees Involved	Person-Days Not Worked	
1995	282	328	149,159	1,583,070	0.05
1996	297	330	275,666	3,269,060	0.11
1997	229	284	257,664	3,607,710	0.12
1998	341	381	244,402	2,443,870	0.08
1999	355	410	158,142	2,435,040	0.08
2000	316	374	129,470	1,585,390	0.05
2001	322	378	220,418	2,198,580	0.07
2002	251	294	167,945	3,028,450	0.09
2003	216	261	78,889	1,753,580	0.05
2004*	60	97	19,207	278,709	0.03
* Year-to-date					
2003					
March	26	62	15,133	188,520	0.07
April	27	66	11,999	173,510	0.06
May	21	60	19,390	157,140	0.05
June	23	62	17,247	183,460	0.06
July	18	61	9,801	179,330	0.06
August	14	50	13,954	158,260	0.05
September	21	62	10,369	100,720	0.03
October	15	60	5,509	80,580	0.03
November	17	53	10,855	128,510	0.04
December	9	51	17,182	118,810	0.04
2004					
January	13	50	7,012	47,389	0.02
February	27	62	10,830	98,940	0.03
March	20	65	11,957	132,380	0.05

[1] Refers to work stoppages which began during the year or month as well as those carried over from the previous year or month.

Source : Workplace Information Directorate.

TECHNICAL NOTES

Data on work stoppages collected by the Workplace Information Directorate of the Labour Program, Human Resources and Skills Development Canada, covers strikes and lockouts which amount to 10 or more person-days lost.

A strike is a concerted work stoppage by a group of employees which is done in order to bring about a change in an employer's position, and it occurs during the negotiating process. A legal strike is one that respects all the conditions mandated by law, most notably that the strike is taking place during negotiations. A lockout occurs when work is suspended by the employer or a group of employers in order to pressure employees to change their position, and a lockout must also occur during the negotiating process.

Developments leading to work stoppages are sometimes too complex to make it practicable to distinguish between strikes on the one hand and lockouts on the other.

The major characteristics of work stoppages on which information is gathered are:

Employer—Firm or firms employing the employees reported on strike or locked out.

Location—Location of the plant or premises at which the work stoppage occurred.

Industry—Industry of employer according to the North American Industry Classification System (1997).

Union—The workers' organization(s) directly involved or concerned in the dispute that led to work stoppage.

Workers Involved—The total number, or approximate total number, of employees reported on strike or locked out, whether or not they all belonged to the union. Where the number of employees involved varied in the course of the stoppage, the maximum number is used in tabulating annual or other totals. (Where a stoppage commenced in a previous year, the maximum number during the whole stoppage is the number used). Monthly totals are similarly based on the highest figures but allowance is made for changes reported in stoppages extending over two or more months. The total number of employees shown may include the same employees more than once if they are involved in more than one work stoppage during the year (or other reference period). Employees indirectly affected, such as those laid off as a result of a work stoppage, are not included in the data on employees involved.

Starting Date—The day on which the work stoppage began.

Termination Date—The termination date is the day on which work was resumed. Some work stoppages are never formally settled, and this presents statistical difficulties. In such a case, the stoppage is usually considered terminated for statistical purposes, at the date by which it was established that two-thirds or more of the employees involved had either returned to work, or had found work with other employers; or the date by which it was reported that the operations affected by the work stoppage would not be resumed.

Duration – The duration of each stoppage is calculated in terms of working days, including the starting date and all subsequent normal working days up to the termination date. The days counted as working days are those on which the establishment involved would normally be in operation (five days per week).

Duration in Person-Days—Duration in working days multiplied by the number of employees involved. For work stoppages involving establish-

ments in which the number of weekly working days (see Duration above) exceeds the work week of individual employees, the duration in person-days is adjusted by the appropriate ratio. The data on duration of work stoppages in person-days are provided to facilitate comparisons of work stoppages in terms of a common denominator; they are not intended as a measure of the loss of production time to the economy. The expression "time loss" is occasionally used instead of "duration in person-days." The term most commonly used is person-days not worked due to the duration in person-days of all work stoppages in a year is also shown as a percentage of estimated working time based on estimates of the number of non-agricultural paid employees in Canada obtained from the *Labour Force Survey* of Statistics Canada.

Jurisdiction—Statistics on work stoppages are also classified according to jurisdiction. This is done on the basis of the government and those businesses covered by Part 1 of the *Canadian Labour Code* whose industrial relations statistics are applicable to the establishment involved in the dispute. (The tabulation of statistics on work stoppages by jurisdiction corresponds to a tabulation by province, except where the Federal jurisdiction is involved.)

The data reflect all work stoppages that have come to the notice of Workplace Information Directorate, and meet the criteria defined above, e.g. minimum person-days. The methods used to secure this information are believed to be adequate to preclude the possibility of major omissions.

Source: Workplace Information Directorate, Labour Program, Human Resources and Skills Development Canada, May, 2003.

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Selected Provisions in Collective Agreements

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Retirement Plans

Introduction

The life of a worker in the 1970s may be summed up, on average, as 45 years of work and 15 years of retirement, with the age of retirement being around 65. The life of today's worker, however, is evenly divided between 30 years of work and 30 in retirement. Indeed, according to Dubois and Ntetu (2002), two diametrically opposed phenomena are now causing an upheaval in the perception of work and the evolution of life: while life expectancy is increasing, the length of working careers is decreasing. Retirement has thus become an important phase in the life of individuals. To ensure sufficient financial resources, it is now necessary to prepare for it.

The Canadian retirement income system consists of three components: contributory public pension plans, non-contributory public pension plans and private pension plans.

1. Definitions

First, it is important to define certain terms essential to understanding pension plans. A **pension** is a financial contract that promises retired persons a revenue in the form of regular payments. This promise may be made by a wide variety of agents, including employers, insurers, unions, governments and other institutions offering financial services (Mitchell 1998). Moreover, a pension is defined by the *grand dictionnaire terminologique* (2003), the official online dictionary of the Office québécois de la langue française, as regular received payments paid out from a capital fund accumulated from contributions or premiums.

A **contribution** is the share paid by an employee or his or her employer into a public (social security plan) or private (retirement or other plan) benefit plan (Le grand dictionnaire terminologique 2003). Contributions then allow the establishment and maintenance of a fund from which benefits are drawn and periodically paid to retired employees. A **benefit** is a regular payment (often monthly) that is aimed at ensuring the economic security of his or her recipient (Le grand dictionnaire terminologique 2003).

Finally, according to Ascah (1996), **financial security at retirement** consists of sufficient capital to generate the revenues necessary to maintain the standard of living an individual experienced prior to retirement.

2. Public Pension Plans

2.1 Contributory Public Pension Plans

Contributory public pension plans are compulsory and are financed solely by employee and employer contributions, which are based on the earnings of the workers. The Canada Pension Plan and

Quebec Pension Plan (for that province) thus allow employees to obtain retirement benefits as high as 25 per cent of the average annual salary they earned during their working lives (Thériault and St-Onge 2000). When retirement is entered into at 65 years of age, the maximum benefit of both the Canada Pension Plan (Social Development Canada 2004) and the Quebec Pension Plan (Quebec Pension Plan 2004) reaches $814.17 per month. This benefit is granted at 65 years of age for the Canada Pension Plan, and at 60 years of age for the Quebec Pension Plan.

2.2 Non-Contributory Public Revenues

In order to guarantee a minimum income to meet the basic needs of Canadians over 65 years of age, the federal government funds the Old Age Security program through its general tax revenues. This program, managed by Social Development Canada's Income Security Programs Branch, is aimed at distributing the Seniors Benefit portion of the basic pension allowed under the Old Age Security / Guaranteed Income Supplement.

According to Social Development Canada (2004), the Old Age Security pension is a monthly benefit provided on demand to most Canadians of at least 65 years of age who meet their residency requirements—in this case, being a Canadian citizen or a legal resident of Canada on the day preceding the application's approval or, if no longer living in Canada, having been a Canadian citizen or a legal resident of Canada on the day preceding the day he or she stopped living in Canada. Moreover, the applicant must have lived in Canada for a minimum of 10 years after age 18. The amount of a person's pension (full or partial) is determined by how long he or she lived in Canada.

Again according to Social Development Canada (2004), the Guaranteed Income Supplement is a monthly benefit provided to Canadian residents who receive an Old Age Security pension, and whose revenue is very low or nil. The amount of the benefit depends on the marital status of the individual as well as on his or her revenue.

3. Private Group Retirement Plans

According to Ascah (1996), public pension plans are insufficient to maintain the standard of living during retirement of middle- and upper-income earners.

Private group retirement plans are either voluntarily implemented by the employer or are the result of negotiations between the parties involved. They may be contributory, where the employee makes the contributions, or non-contributory, funded solely by the employer.

Many collective agreements include provisions containing information on retirement plans. According to data from Human Resources and Skills Development Canada's Workplace Information Directorate (2004),[1] such information is available in 725 of 1,175 listed collective agreements, or 61.7 per cent of agreements, covering 1,776,077 employees. These 725 agreements are equally distributed between the public sector (50.5 per cent covering 1,248,085 employees) and the private sector (49.5 per cent affecting 527,992 workers) agreements. Moreover, 28.7 per cent (741,455 employees) of agreements containing information on available retirement plans were in the education, health, and social services sector, while 22.6 per cent (155,050 employees) were in the manufacturing sector.

[1] This analysis is based on small (100 to 499 employees) and medium-sized (500 to 1,999 employees) negotiation units that are part of the stratified sample as well as all large (2,000 employees or more) units that are tracked by the Workplace Information Directorate.

3.1 Defined Contribution Retirement Plans

There are three distinct formulas for private group retirement plans. The first is the defined contribution plan for which the employer, sometimes jointly with the employee, contributes a fixed predetermined amount. The resulting pension depends on the rate of return attained through the investment of the contributions as well as on all other circumstances that affect the appropriate actuarial valuation of the plan at the time of each employee's retirement (Hébert 1992).

This type of plan may work through money purchase or profit sharing. Where money purchase plans are concerned, the pension benefit is established based on the consolidation of contributions and investment income derived from these contributions. Data from Human Resources and Skills Development Canada's Workplace Information Directorate (2004) indicate that 61 of the 1,175 current agreements, representing 5.2 per cent and affecting 67,500 workers, contain a provision on money purchase defined contribution retirement plans. Of these 61 agreements, 77.0 per cent are from the private sector (42,310 workers), and 24.6 per cent (6,550 workers) were ratified in the manufacturing sector.

Excerpts from various collective agreements:

Calgary Co-operative Association Limited and Union of Calgary Cooperative Employees, 2001–2004, 0427111. Excerpt from "Planning for Tomorrow: Co-operative Superannuation Society Pension Plan," 990018.

> *How much will my monthly pension be?*
>
> *Because the Pension Plan is a defined contribution,or money purchase pension plan, the amount of your pension will depend on the following:*
> *(a) the total contributions made by you and your employer,*
> *(b) the income earned by the Pension Plan and allocated to members each year,*
> *(c) your age when you start pension and your spouse's age (if applicable),*
> *(d) the type of pension you choose,*
> *(e) the pension cost at the time you start the pension.*
> *(...)*

Vidéotron Ltd. and Syndicat des employés de Vidéotron Ltd., CUPE, Local 2815, 2003–2006, 1060402. Excerpt from "Régime supplémentaire de rentes – employés syndiqués Division Montréal," 990055.

> [Translation]
>
> *1. Employee Contributions*
>
> *You must pay into the Plan, as an employee contribution, an amount equal to 6.0 per cent of your salary. This contribution is tax deductible and deducted directly from your salary.*
>
> *Furthermore, if, during a period of temporary absence, you receive a salary, you must continue contributing to the Plan. However, if, during such a period, you receive no salary, you may continue contributing if this period of absence does not exceed the allowable limits as stipulated by the applicable legislation. Your contributions are then calculated based on the salary you received at the beginning of such a period.*
>
> *2. Employer Contributions*
>
> *Your employer pays into the Plan, as an employer contribution, an amount equal to 6.0 per cent of the salary paid to each participant.*
>
> *3. Additional Voluntary Contributions*
>
> *You may make additional contributions to the Plan in accordance with the rules accepted by the Retirement Committee and Revenue Canada, Taxation. It is*

permitted to invest an overall amount for retirement equal to 18 per cent of your salary. Since you and your employer already invest 12 per cent, an additional 6.0 per cent of your salary may be paid as additional voluntary contribution into the Plan. These contributions must be deducted at source.

Additional contributions accumulate with interest and may, at any time, be reimbursed or transferred into your RRSP (Registered Retirement Savings Plan). Furthermore, they may be used at the time of your retirement to purchase an additional pension.

Upon termination of service, you will be reimbursed all accumulated contributions with interest.

In the event of your death, your beneficiary will receive the reimbursement of your accumulated additional contributions with interest, unless they already form part of the pension you were receiving.

Finally, with respect to profit-sharing defined contribution retirement plans, the retirement benefit is based on the consolidation of the amounts invested by the employers on the basis of profits earned by their companies. The employee does not contribute to this type of plan. No collective agreement in the database contains such provisions; such plans are mostly found in small- and medium-sized firms or non-union companies.

3.2 Defined Benefit Retirement Plans

According to Hébert (1992), the second formula for private group retirement plans is defined benefit, which consists of a guarantee of a pre-established benefit to be received by employees. In effect, the nature of the benefit is known in advance and contributions may vary in order to balance the plan.

The 684 collective agreements containing a provision related to defined benefit retirement plans represent 58.2 per cent of the 1,175 current collective agreements and cover some 1,748,417 employees.

Defined benefit retirement plans are based on four distinct formulas: the average salary, the final-average earnings, the highest salary, or they may be fixed or flat rate benefits.

3.2.1 Average Salary

According to data from Human Resources and Skills Development Canada's Workplace Information Directorate (2004), 74 of the 684 agreements, representing 10.8 per cent and affecting 159,910 employees, contain a clause regarding a defined benefit retirement plan that bases these benefits on employees' average salaries. In these cases, the pension received by a retired worker is calculated as a percentage of the salary received for each year of service.

Excerpts from various collective agreements:

University of Victoria and Canadian Union of Public Employees, 1999–2002, 0535307. Excerpt from "University of Victoria Staff Pension Plan," 590079.

VIII. Retirement Benefits

1. Normal Retirement Benefit

(a) upon the retirement of a member on his or her normal retirement date the initial annual retirement benefit, payable monthly, shall be equal to:

(i) an annual retirement benefit, payable monthly, equal to the applicable percentage of the member's average annual basic salary up to the average YMPE for the year in which the member retires for each year of credited service rendered by the member, plus

(ii) an annual retirement benefit, payable monthly, equal to the applicable percentage of the member's average annual basic salary in excess of the average YMPE for the year in which the member retires for each year of credited service rendered by the member, less

(iii) the annual retirement benefit, payable monthly, commencing on the member's normal retirement date under any prior plan calculated and paid on the basis of the normal form of retirement benefit under this Plan with payments commencing on the said normal requirement date to which the member may be entitled.

(...)

Hôtel-Dieu Grace Hospital and Service Employees International Union, 1999–2001, 1050603. Excerpt from "Hospitals of Ontario Pension Plan (HOOPP)."

Retirement—How much pension?
(...)
For each year of contributory service, your basic lifetime HOOPP pension will be:

1.5 per cent of your average annualized earnings up to the average year's maximum pensionable earnings (YMPE); plus 2.0 per cent of your average annualized earnings above the average YMPE.
(...)

3.2.2 Final Average Earnings

Defined benefit retirement plans based on final average earnings are part of 36 of the 684 agreements containing a provision related to defined benefit retirement plans, or 5.3 per cent affecting 39,920 employees.

Excerpts from various collective agreements:

Stone Container Inc. and Communications, Energy and Paperworkers Union of Canada, Local 120, 1998–2004, 0118205.

28:03 Pension Benefits:
A member retiring on or after January 1, 1996, shall receive, subject to the provisions of the plan applicable in the event of early retirement, a monthly pension, the annual amount of which shall be equal to:

i) 1.65% of the member's Final Average Earnings multiplied by his number of years of "pensionable service" prior to his retirement, less

ii) 1/35 of the maximum pension payable under the Canada Pension Plan (CPP) during the calendar year of his retirement, multiplied by his number of years of "pensionable service" between January 1, 1966 and the date of his retirement, subject to a maximum of 14 years.

Lakehead Terminal Elevators Association and United Steelworkers of America, Unit Lodge 650, 2000–2003, 0383607. Excerpt from "Member's Guide to the Retirement Plan for the Hourly Employees at Thunder Bay," 990080.

Your Pension Benefit
Normal or Special Early Retirement

The pension benefit you receive at your Normal or Special Early Retirement Date (for Service after July 1, 1984) is based on a combination of your:

Credited Service—Credited Service of a member in respect of service after June 30, 1984 is equal to the number of years and months determined on the basis of the number of hours for which the member has contributed during a year according to the schedule in the glossary of terms.

Final Average Earnings—One-fifth of the total of earnings on which Required Contributions were made during the 130 bi-weekly pay periods in the 260 bi-weekly

pay periods immediately prior to retirement, death or termination of employment, during which bi-weekly earnings were highest.

Final Average Canada Pension Plan Earnings—One-fifth of the Canada Pension Plan Earnings in the year of retirement, death of termination of employment, whichever is applicable, and the four preceding years.

These items are used in the following way to determine your pension benefit:

1.25% of Final Average Earnings up to the Final Average Canada Pension Plan Earnings multiplied by years of Credited Service after June 30, 1984, ***plus*** *1.75% of Final Average Earnings in excess of the Final Average Canada Pension Plan Earnings multiplied by years of Credited Service after June 30, 1984.*

3.2.3 Highest Average Salary

Yet another defined benefit retirement plan formula is that based on the salary obtained during the best working years as established by the following formula: a certain percentage of an employee's salary multiplied by the number of years of service and by the average salary of the best three or five years. Contributions are decided with the help of an actuarial analysis and according to circumstances. This is the most widely used of all defined benefit retirement plan formulas and can be found in 405 of the 684 agreements containing a provision on defined benefit retirement plans, or 59.2 per cent covering 1,302,725 employees. Of these 405 agreements, fully 80.5 per cent (1,161,345 employees) are found in the public sector and 45.4 per cent (598,925 employees) are in the education, health and social services sector.

Excerpts from various collective agreements:

City of Calgary and Amalgamated Transit Union, 2003–2006, 0378008. Excerpt from "Local Authorities Pension Plan," 460003.

How is my Pension Calculated?

The amount of your pension is based on your length of service and the average of your five highest consecutive years of salary (highest average salary).

Peace Wapiti Regional Division No. 33 and Alberta Teachers' Association, 2000–2001, 1017204. Excerpt from "Teachers' Retirement Fund Act," 480006.

36(1) Subject to subsection (2) and the by-laws of the Board, the normal pension payable to a teacher on his retirement shall be an amount equal to 2% of the average annual salary paid to the teacher for the 5 consecutive years of his pensionable service during which his salary was the highest, multiplied by the total number of years of his pensionable service (taking into account parts of years) or by 35, whichever number is less, and shall be his life or a term of 5 years certain, whichever is longer.

3.2.4 Fixed or Flat Rate Benefits

There also exists a defined benefit retirement plan formula with fixed or flat rate benefits. These fixed amounts are determined by the number of years during which the individual contributed to the retirement plan. This type of flat rate benefit retirement plan appears in 169 of the 684 agreements containing provisions pertaining to defined benefit retirement plans, or 24.7 per cent covering some 245,862 employees. It should be noted that 97.6 per cent (235,932 employees) of these 169 agreements are found in the private sector and that 43.2 per cent (81,930 employees) were within the manufacturing sector.

Excerpts from various collective agreements:

Nexans Canada Inc. and United Steelworkers of America, Local 6187, 2002–2005, 0220908.

> *Pension Plan*
>
> *Effective February 20, 2002 the pension is $40.00 per month X yrs of service*
>
> *Effective February 20, 2003 the pension is $43.00 per month X yrs of service*
>
> *Effective February 20, 2004 the pension is $45.00 per month X yrs of service*
>
> *Effective February 20, 1999 employees are eligible to retire at age 60 with at least 25 years of service with a bridge to age 65 as follows:*
>
> > *Effective February 20, 2002, $13.00 per month X yrs of service*
> >
> > *Effective February 20, 2003, $14.00 per month X yrs of service*
> >
> > *Effective February 20, 2004, $15.00 per month X yrs of service*
>
> *Note: Pension bridging can be attained at age 55 at a reduced rate. See human resources department for more information.*

A bridge benefit consists of a supplemental monthly benefit granted to an employee following his or her retirement, and until the day the employee is entitled to the benefit provided for by the government plan. The bridge benefit thus bridges the income gap until age 65.

Miramar Giant Mine Ltd. and National Automobile, Aerospace, Transportation and General Workers Union of Canada, 2002–2005, 0011406.

> *28.03 Pension Plan—Non Contributory*
>
> *i) The basic benefit will be thirty-seven dollars and fifty cents ($37.50) per year of continuous service effective November 16, 1997.*

3.3 Hybrid or Combination Retirement Plans

Hybrid or combination retirement plans represent the third formula and include characteristics of both defined benefit and defined contribution plans. According to data from Human Resources and Skills Development Canada's Workplace Information Directorate (2004), only 9 of the 1,175 current collective agreements contain a provision for such a plan, or 0.8 per cent covering 69,730 employees, and all of these agreements are found in the private sector.

Excerpt from one collective agreement:

QIT-Fer et Titane Inc. and Syndicat des ouvriers du fer et du titane (C.S.N.), 2001–2006, 0156707.

[Translation]

> *1. Eligibility*
>
> *Any salaried employee working for the Employer who is a member of the bargaining unit and retroactively joins the supplemental pension plan as soon as he or she has accumulated at least 700 hours. Retroactive enrolment means that the 700 hours will count for credited service with respect to defined benefits according to the schedule defined in the section.*
>
> *2. Furthermore, for the purposes of Section 10 (Contributions), the Company will contribute retroactively, with respect to defined benefits, for these 700 hours.*
>
> *(...)*
>
> *Defined Benefit Component*
>
> *3. Normal Retirement*
>
> *Any salaried employee may retire on the first day of the month following his or her 65th birthday (normal retirement date).*
>
> *a) Service prior to April 30, 1991*

Plan "A"

1) An employee registered in Plan "A" on April 29, 1991, is entitled to a lifetime monthly benefit of $35 for each year of credited service prior to April 30, 1991.

2) However, an employee registered in Plan "A" on April 29, 1991, who retires after April 30, 2005, is entitled to a lifetime monthly benefit of $39 for each year of credited service prior to April 30, 1991.

Plan "B"

3) An employee registered in Plan "B" on April 29, 1991, is entitled to a lifetime monthly benefit of $25 for each year of credited service prior to April 30, 1991.

4) However, an employee registered in Plan "B" on April 29, 1991, who retires after April 30, 2005, is entitled to a lifetime monthly benefit of $29 for each year of credited service prior to April 30, 1991.

5) Individual Pension Fund for Past Service (IPFPS)

(Section X—Collective Agreement)

An employee eligible for an individual pension fund for past service prior to January 1, 1969, will see his or her monthly benefit under the supplemental retirement plan decreased by an amount of monthly benefit actuarially equivalent to the lump-sum of his or her individual pension fund.

6) Group RRSP

The monthly benefit payable under the supplemental retirement plan to Plan "A" registrants will be reduced by the amount of the monthly benefit that overall Company contributions to the group RRSP produce, excluding the return obtained on those contributions.

The value of Company contributions to the group RRSP of Plan "A" registrants is subject to the Supplemental Pension Plans Act.

b) Service commencing on April 30, 1991

1) An employee is entitled to a lifetime monthly benefit of $25 for each year of credited service as of April 30, 1991. However, an employee who retires after April 30, 2005, is entitled to a lifetime monthly benefit of $29 for each year of credited service subsequent to April 30, 1991.

2) An employee whose plan participation is interrupted when he or she is 50 years of age or older on April 30, 1993, is entitled, for each year of credited service from April 30, 1991, to April 29, 1993, to a lifetime monthly benefit calculated according to section 3(b)1 and increased by $10.

c) Temporary Clause

1) Notwithstanding subsections (a) and (b), an employee who retires on his or her normal retirement date, who takes early retirement as per section 4(b), or delayed retirement as per section 6, between April 30, 2001 and May 1, 2006, is entitled to a lifetime monthly benefit for each year of credited service as provided for in the table below:

The monthly benefit of employees who retire during the present collective agreement will be reassessed each May 1 following retirement in accordance with the table above, for each year of credited service accumulated at the time of retirement.

2) The monthly benefit payable under the defined benefit component to employees who retire between April 30, 2001, and May 1, 2006, will be reduced by the amount of monthly benefits provided by overall Company contributions to the group RRSP and to the defined contribution component. For Plan "A" registrants, the return on Company contributions to the group RRSP is excluded, as stipulated in subsection 4 of section 3(a).

For employees who retire between April 30, 2001, and May 1, 2006, the total monthly benefit payable under the defined benefit and defined contribution components of the Plan, and of Company contributions to the group RRSP may not be less than the fixed amounts mentioned in subsection 3(c)1 for each year of credited service.

(...)

10. Contributions

As of April 30, 1998, the Company shall contribute 4.0% of the base salary of each registrant to an account established in that person's name. For Plan purposes, the base salary is defined as being the standardized hourly rate of the member multiplied by the number of hours accumulated; accumulated hours are hours used to tabulate accumulated credited service for the defined benefit component (section 2). An employee does not contribute to this Plan.

Retirement Date	*Fixed Amount*
from May 1, 2001 to April 30, 2002	*$42.00*
from May 1, 2002 to April 30, 2003	*$43.00*
from May 1, 2003 to April 30, 2004	*$44.00*
from May 1, 2004 to April 30, 2005	*$45.00*
from May 1, 2005 to April 30, 2006	*$46.00*

4. Financing of Private Retirement Plans

4.1 Non-Contributory Retirement Plans

In non-contributory retirement plans, the employer is responsible for all contributions and benefits from simplified management of the plan (Hébert 1992).

4.1.1 Non-Contributory Retirement Plans Without Possibility of Additional Voluntary Contributions

Non-contributory plans without the possibility of or reference to additional voluntary contributions represent 136 of the 1,175 current collective agreements, or 11.6 per cent covering some 210,410 employees. Of these 136 agreements, nearly all—or 96.3 per cent affecting 201,200 employees—were in the private sector. Furthermore, 46.3 per cent of these 136 agreements (90,350 employees) were in the manufacturing sector.

Excerpts from various collective agreements:

MTT and Atlantic Communication and Technical Workers' Union, 1999–2002, 0400107. Excerpt from "MT&T Employees' Pension Plan," 120003.

Plan Description

(...)

Our pension plan is a non-contributory defined benefit type of plan. This simply means that it is entirely funded by the Company with no contributions required from the employees, and the benefits received upon retirement are defined by a specific formula.

(...)

Saint John Construction Association Incorporated and United Brotherhood of Carpenters & Joiners of America, 1999–2003, 0273805. Excerpt from "Pension Plan," 130012.

> *How your plan works*
>
> *A pension plan is a special long-term savings fund designed to provide income for your retirement. There are many different types of pension plans which work in different ways. The Pension Plan for the New Brunswick Carpenters Pension Trust is a "defined contribution" pension plan. Here's an overview of how it works.*
>
> *- (...)*
>
> *- You are not permitted to contribute to the Plan. All contributions are made by your Employer.*
>
> *- (...)*

4.1.2 Non-Contributory Plans with Possibility of Additional Voluntary Contributions

Non-contributory financing clauses with the possibility of additional voluntary contributions are rare. They are contained in only 55 of the 1,175 current collective agreements, or 4.7 per cent representing 90,072 employees.

Excerpts from various collective agreements:

CFCF Inc. (Div. CFCF TV) and Communications, Energy and Paperworkers Union of Canada, 1993–2001, 0388404. Excerpt from "Régime de retraite des salariés de CFCF Inc. et de ses sociétés affiliées," 990068.

> [Translation]
> *Retirement Plan Overview*
> *(...)*
> *Basic benefit*
>
> *- This component guarantees you a retirement benefit.*
>
> *- There is no need for contributions as the Company assumes 100% of the cost.*
>
> *- (...)*
>
> *Retirement Savings Account*
> (voluntary contribution)[sic]
>
> *- You choose the percentage of your salary you wish to contribute, up to the maximum allowed for under the Plan.*
>
> *- The Company adds a 25% matching share to your contributions, up to a maximum of 1% of your salary.*
>
> *- (...)*

Great Atlantic & Pacific Company of Canada, Limited and United Food and Commercial Workers International Union, 2000–2003, 1236201. Excerpt from "The Quick Guide to Understanding Your Pension Plan." 350156.

> *What is the Canadian Commercial Workers Industry Pension Plan?*
> *(...)*
> *Each of these employers is required to contribute to the Pension Plan. You are not required to make any contributions.*
> *(...)*
>
> *Can you make a self-payment to increase your pension?*
>
> *Yes—provided you have at least two years of membership in the UFCW or two years of service with your employer and if you are within 150 hours of the next higher level of pension for the year, (...). The self-payment amount is equal to the number of hours you are short to reach the next level of pension, multiplied by the rate of contribution paid by your employer, for current service. (...)*

4.2 Contributory Retirement Plan

Under a **contributory retirement plan,** an employee normally contributes to the plan's financing through payroll deductions. According to Dolan et al. (2002), in spite of the fact that regulations require minimum contributions on the part of the employer, it may be necessary, even preferable, that employees also contribute. The benefits of contributory retirement plans are many. Indeed, this type of plan

allows for the accumulation of larger funds for employees, decreasing the financial burden on employers. Employee contributions increase employee interest and awareness with respect to the costs associated with the plan, and these contributions are tax deductible.

4.2.1 Contributory Retirement Plan without Possibility of Additional Voluntary Contributions

According to Human Resources and Skills Development Canada's Workplace Information Directorate (2004), 467 of the 1,175 tabulated collective agreements (39.7 per cent covering 1,333,885 employees) possess clauses pertaining to the financing of "contributory" retirement plans without the possibility or mention of additional voluntary contributions. Of these 467 agreements, fully 71.5 per cent (1,187,145 employees) come from the public sector. This high percentage is not surprising since 42.6 per cent (690,735 employees) of these agreements were in the education, health and social services sector.

Excerpts from various collective agreements:

Comité patronal de négociation secteur santé et services sociaux and Fédération des infirmières et infirmiers du Québec, 2000–2002, 1037602. Excerpt from "Ma retraite RREGOP," Government and Public Employees Retirement Plan, 240001.

> [Translation]
> *Plan Contributions*
>
> *Contribution Rate*
> *The contribution rate has been 7.68% of pensionable earnings since January 1, 1993.*
> *(...)*

NorthwesTel Inc. and International Brotherhood of Electrical Workers, 2002–2004, 0295008. Excerpt from "Pension Plan: A Guide to Understanding Your Benefits," 990061.

> *Contributions*
> *As a member of the Plan, you contribute a percentage of your pensionable earnings through payroll deductions. For permanent employees, deductions commence from date of hire and for non permanent employees from date of membership.*
>
> *Your annual contribution is calculated as follows:*
>
> *5.48% of your pensionable earnings up to the Year's Maximum Pensionable Earnings (YMPE) defined under the Canada Pension Plan, plus 6.98% of your pensionable earnings in excess of the YMPE.*
> *(...)*
> *Pension contributions cease on attainment of thirty-five (35) years of pensionable employment.*
>
> *If you were hired prior to March 14, 1979, you pay an additional percentage of your pensionable earnings to provide for early retirement without reduction.*

4.2.2 Contributory Retirement Plan with Possibility of Additional Voluntary Contributions

Provisions concerning contributory financing with the possibility of additional voluntary contributions are part of 117 of the 1,175 current collective agreements, or 10.0 per cent covering 259,000 workers. Of these 117 agreements, 54.7 per cent (108,330 employees) are found in the private sector, while 45.3 per cent (150,670 employees) are from the public sector. It should be noted that the highest proportions of these agreements are found in the manufacturing (26.5 per cent covering 10,500 employees) and education, health and social services (21.4 per cent, or 45,460 employees) sectors.

Excerpts from various collective agreements:

Abitibi-Consolidated—Newfoundland Woodlands and Communications, Energy and Paperworkers Union of Canada, Local 60N, 1999–2003, 0005106.

> *Appendix "E"—Pension Plan*
>
> *Effective January 1, 2000, the Company will implement a defined contribution pension plan (also known as a money purchase plan). Participation in the Plan will be mandatory and a condition of employment.*
> *(...)*
>
> *Contributions*
>
> *Each employee will contribute 3% of his earnings to the Plan. The Employer will match the employee's contribution.*
>
> *Each employee can elect to contribute an extra 1%, 2% or 3% of weekly earnings to the Plan. The election for voluntary contribution can only be changed once a year.*
> *(...)*

Irving Paper and Communications, Energy and Paperworkers Union of Canada, 2000–2002, 0107405. Excerpt from "The Pension Plan for Hourly Paid Union Employees of Rothesay Paper Limited," 130007.

> *Section 5*
> *Contributions*
>
> *5.1 Employee Contributions*
> *(...)*
>
> *(b) (ii) A member may also elect to contribute an additional sum of money to the Plan under the terms of Section 4.2 to provide additional pension benefits, provided his total contributions do not exceed the maximum that may be deducted from his income under the provisions of the Income Tax Act (Canada).*

5. Retirement Plan Management

The plan may be managed by the employer, in a bipartisan manner, by a trustee, or by the union.

5.1 Bipartite

Of the 1,175 current collective agreements identified by the Workplace Information Directorate (2004), 266, or 22.6 per cent representing 580,912 employees, provided for bipartite management of the retirement plan. These agreements were found in the public and private sectors in proportions of 51.5 per cent (317,830 workers) and 48.5 per cent (263,082 workers) respectively. Moreover, 36.5 per cent were from the education, health and social services sector, and 22.6 per cent were from the manufacturing sector.

Excerpts from various collective agreements:

Compagnie Gaspésia Limitée and Communications, Energy and Paperworkers Union of Canada, 1998–2004, 0110106. Excerpt from "Régime de retraite applicable aux syndicats participants d'Abitibi-Price Inc. au Québec," 240223.

> [Translation]
> *Section 4 – Plan Management*
>
> *4.01 Plan Manager*
>
> *The Retirement Committee is responsible for Retirement Plan and Pension Fund management.*
>
> *4.02 Retirement Committee Makeup*
>
> *The Retirement Committee is composed of thirteen (13) members (Members of the Committee) as follows:*
>
> *a) One (1) member to be designated by active Plan members during the annual general meeting. For the period extending from the Retirement Committee creation date to the date of the first annual general meeting of Plan members, this Committee*

Member will be designated by participating unions affiliated with the Confédération des syndicats nationaux and must be a Plan member.

b) One (1) member to be designated by inactive Plan members during the annual general meeting. For the period extending from the Retirement Committee creation date to the date of the first annual general meeting of Plan members, this Committee Member will be designated by the Canadian Paperworkers Union and must be a Plan member.

c) One (1) member designated by the Company who is not a Plan member and who is not a person to whom the fund may not grant a loan under the provisions of the Supplemental Pension Plans Act.

d) Three (3) members designated by participating unions in a manner to be determined among themselves. If an agreement is not reached between the participating unions, these Committee Members shall be designated by the Company.

e) Seven (7) members designated by the Company.

Université de Montréal and Fédération nationale des enseignantes et des enseignants du Québec, 2003–2006, 0752007. Excerpt from "Règlement du régime de retraite de l'Université de Montréal," 240109.

[Translation]
Section 3 Management

3.01 Appointment and Makeup of the Retirement Committee

The Plan is managed by a Retirement Committee comprising the following members:

a) one person designated by the Senate of the University, in agreement with the Retirement Committee, who is a member neither of the Plan nor of the Senate and who is not a person to whom the pension fund may not grant a loan under the provisions of the Act;

b) three persons designated by all professors who are active Plan members;

c) one person designated by all administrative management of professional staff who are active Plan members;

d) two persons designated by all support staff employees who are active Plan members;

e) one person designated by all part-time teaching staff who are active Plan members;

(...)

5.2 Union

Of the 1,175 current collective agreements, 21 (1.8 per cent covering 48,610 employees) stipulate that retirement plan management be performed by a union.

Excerpts from various collective agreements:

Société de transport de l'Outaouais and Amalgamated Transit Union, 1999–2004, 0375806.

[Translation]
11.02 b) The parties agree that the union is responsible for implementation and administration of the pension plan and that the Company's participation is limited to article 11.02 a).

Construction Labour Relations—Alberta and International Association of Heat and Frost Insulators and Asbestos Workers, Local 110, 2001–2003, 0262007.

Article 20.00 – Pension Trust Fund

20.01 (a) Employers engaged in Commercial / Institutional work bound by this Agreement shall pay the amount indicated in the wage

schedule for all hours worked by employees engaged in the insulation trade into a Pension Trust Fund, solely trusteed and administered by the Union.

5.3 Employer

A further 263 of the 1,175 current collective agreements (22.4 per cent covering 841,795 employees) contain provisions stipulating that the employer is responsible for managing the retirement plan. Of these 263 agreements, 66.9 per cent (representing 748,835 employees) are from the public sector. This high percentage is largely due to the fact that 32.3 per cent (367,325 employees) of the 263 agreements were concluded in the education, health and social services sector.

Excerpts from various collective agreements:

Société en commandite T&B Commander Limitée and United Steelworkers of America, 2000-2005, 0222607. Excerpt from "Régime de retraite pour les employés horaires de Matériaux Électriques Commander Inc. à son usine de St-Jean-sur-Richelieu," 240078.

[Translation]
Article 10 – Plan Manager

Manager

10.1 The employer shall be the Plan Manager as defined in the Supplemental Pension Plans Act.

Abitibi-Consolidated – Newfoundland Woodlands and Communications, Energy and Paperworkers Union of Canada, Local 60N, 1999–2003, 0005106. Excerpt from "Pension Plan for Participating Unions of Abitibi-Price Inc.," 350210.

Article 4 – Administration of the Plan

4.01 Establishment of Retirement Board
The Company shall be the administrator of the Plan.
(...)

5.4 Trustee

Provisions pertaining to retirement plan management by a trustee are found in 157 of the 1,175 collective agreements (13.4 per cent affecting 323,060 employees) listed by Human Resources and Skills Development Canada's Workplace Information Directorate (2004). Of these 157 agreements, fully 60.5 per cent (89,540 workers) are from the private sector.

Excerpts from various collective agreements:

All Extra Foods Stores and United Food and Commercial Workers International Union, 2002–2005, 0434208. Excerpt from "The Canadian Commercial Workers Industry Pension Plan," 990019.

Section 9
Administration

9.01 The Trustees shall be responsible for the administration of the Plan and shall make such rules and regulations as they deem necessary to carry out the provisions of the Plan.

Compagnie minière Québec Cartier and United Steelworkers of America, 2001–2005, 0777205. Excerpt from "Régime de retraite des employés de la Compagnie minière Québec Cartier, Partie 2 – Employés syndiqués," 240006.

[Translation]
Section 14
Retirement Plan and
Pension Fund Management

14.1 Retirement Committee: The Plan shall be managed by the Retirement Committee acting as Fund Trustee.

6. When to Retire?

With the varied components of Canada's retirement income system, it becomes interesting to try to establish one's most timely exit from the labour market. The last few years have seen a rise in interest with respect to early retirement, but is it a good option for employees to use, and what are its implications for retirement plans and for society as a whole?

The notion of gradual retirement has grown in popularity over the last few years. As mentioned by Fourzly and Gervais (2002), numerous older employees prefer to progressively reduce their workload rather than abruptly end their careers. Similarly, some workers prefer to push back their retirement date and continue working full-time beyond the normal retirement age, while still others prefer holding down part-time jobs. Phased retirement plans might be an interesting solution to satisfy the various needs of these employees.

6.1 Early Retirement

Early retirement plans are strategies that could encourage the older, better-paid members of an organization's workforce to retire early, allowing for a reduction in operating costs as well as the creation of jobs for younger workers (Dolan et al. 2002).

The benefits for employees are significant. Programs aimed at fostering early retirement may partly compensate older workers for the portion of the benefit they would have been entitled to had they worked to age 65; others provide for an Registered Retirement Savings Plan convertible lump-sum payment; and certain programs offer retirees the possibility of maintaining employee benefits offered by the organization (life insurance, extended medical coverage, etc.).

It must of course be pointed out that early retirement plans also have a downside. Should too many workers be convinced to retire, Canada could find it difficult to financially support its aging population. Moreover, older workers leaving the labour market would cause a certain loss of skills, skills that younger workers would then have to acquire (Dolan et al. 2002).

Early retirement usually represents a collaborative effort among the different stakeholders, but it has different implications for each one:

- Employers wishing to optimize their investment while minimizing production costs can replace older workers who command higher wages because of their experience and who are generally less educated, less trained, and in poorer health than younger workers.
- For unions, early retirement is a long-standing demand and is well received when it allows an employee to be financially independent.
- Governments must manage three conflicting claims: the viability of the social contract, control over public expenditures, and support for private enterprise. The government encourages early retirement by allowing the use of the social security system.
- Workers hold different views of early retirement. Some are happy to leave their jobs, others prefer to continue working (Dubois and Ntetu 2002).

6.2 Gradual or Phased Retirement

An alternative to early retirement is gradual (or phased retirement). There are, according to Fourzly and Gervais (2002), two approaches to this type of retirement. The first one, called gradual retirement, consists of an option permitting workers to gradually reduce the amount of time spent working in anticipation of complete retirement. This allows employers, among other things, to ensure a smooth transfer of knowledge, to restructure their workforce more efficiently, and to avoid a premature loss of their workforce through the popularity of early retirement (Jalette and Villeneuve 2003). With respect to older employees, this solution may help them progressively adapt to retirement while

ensuring a higher wage level than if they were relying solely on their pension (Fourzly and Gervais 2002).

This gradual reduction may be achieved through a decrease in daily, monthly or annual working time over a period of many years (Jalette and Villeneuve 2003). In fact, Fourzly and Gervais (2002) state that the period prior to retirement during which an older employee can decrease his workload is variable, between one and five years.

The second one, the phased retirement approach, is the possibility of working after the age of retirement. Thus it may be possible for an employee, within certain organizations, to delay his or her retirement date or to hold down a part-time or temporary job after retiring.

Regardless of which approach is selected, it is imperative that all stakeholders understand the repercussions, as well as their own current and future needs.

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Innovative Workplace Practices

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This overview of workplace innovations is based on a review of 62 collective agreement settlements negotiated during the first quarter of 2004. Of these, slightly over one half (34 settlements) contained provisions considered to be innovative or of particular interest.

Duration

Of the 62 settlements reviewed during the quarter, over half (35 collective agreements) had a duration ranging from 30 to 36 months. Four settlements had durations of 12 months. Eight settlements had durations of between 24 and 29 months while five had durations of exactly 48 months. Ten settlements had durations of 60 months or more. The longest agreement (83 months) was negotiated between Brasseries Molson, Montréal, Quebec and International Brotherhood of Teamsters. Two settlements had 72-month durations: West Fraser Mills Ltd., Smithers, British Columbia and Northern Interior Woodworkers Association and Rogers Cable Inc., Toronto, Ontario and Metro Cable TV Maintenance and Service Employees Association.

Compensation

Gain sharing plans appear in several settlements over the period reviewed. The plan between Canadian Pacific Railway, system-wide and United Steelworkers of America is based on specific performance criteria and the employees will share 40 per cent of the productivity gains achieved in 2003, 2004 and 2005, up to a maximum of 5.0 per cent of wages. Any lump-sum amounts generated are included in pension calculations. British Columbia Assessment Authority, province-wide and Canadian Union of Public Employees negotiated a plan whereby the employee's share realized through improved efficiency will be 50 per cent of any gain in the productivity to a maximum of 5.0 per cent of wages earned in any year. Another plan between Autoliv Electronics Canada Ltd. and International Association of Machinists and Aerospace Workers provides quarterly payments based on an employee's base wage and that plant-wide quality and performance metrics are met on a monthly basis. Payment amounts will be based on hours worked up to 37.5 hours per week, excluding overtime.

Bell Canada, province-wide, Quebec and Ontario, and Canadian Telecommunications Employee's Association have a **sales bonus** plan which recognizes individual and team contribution toward sales and performance objectives. On the basis of the attainment of 100 per cent of the sales objectives, payment will be as follows:

Occupation	Percentage of Base Salary at Target 2004	2005	2006
	%	%	%
Sales Associate	20	25	30
Sales Representative	43	43	43
Account Executive	51	51	51

Alcan Smelters and Chemicals Ltd., Jonquière and other centres, Quebec and Fédération des syndicats du secteur de l'aluminium inc. have negotiated **market-linked wage reopeners** for the last two years of the collective agreement. The adjustments will be based on aluminium industry weighted average wage rates with a guarantee of 1.0 per cent more

than the highest rate in the industry. Following the survey of 10 major companies, should Alcan's industry position, including the 1.0 per cent guarantee, be more that 3.0 per cent above the general market, employees will receive 50 per cent of the difference in the form of quarterly lump-sum payments. The final year adjustment will also take into account CPI forecasts for the next year, studies of wage projection, wage adjustments in other industry companies and Alcan's financial situation.

An **employee bonus plan** has been established between BC Rail Ltd., province-wide and Canadian Auto Workers. Employees will be entitled to a bonus of 1.0 per cent of basic wages should the net operating income of BC Rail reach $68,332,000; 2.0 per cent should the net operating income reach $74,787,780 and 3.0 per cent should the net operating income reach $81,243,558. Allstream, Canada-wide and Canadian Auto Workers have a **corporate bonus** based on company performance and customer satisfaction. The bonus will provide a maximum of 4.0 per cent of the base rate of pay for each year of the contract. A **performance pay plan** exists between Independent Electricity Market Operator, province-wide, Ontario and Society of Energy Professionals. The plan, based on corporate and line of business results, can generate a minimum payout of 1.0 per cent of base payroll each year of the collective agreement. The overall guaranteed minimum payout will be 2.0 per cent with no maximum amounts. Atomic Energy of Canada Limited, Chalk River and Deep River, Ontario and Office and Professional Employees International Union have also initiated a performance pay plan with annual merit increases as follows:

Multiplier Applied to Step Value

Level	Meets Most Requirements	Fully Meets Requirements	Exceeds Requirements	Outstanding	Step Value
7	-	1	1.25	1.5	$ 700
8	-	1	1.25	1.5	$ 800
9	-	1	1.25	1.5	$ 900
10	-	1	1.25	1.5	$1,000
11	-	1	1.25	1.5	$1,100

The balance of a merit increase beyond an employee's position range maximum will be paid in a lump-sum payment as a re-earnable merit bonus.

Two agreements contain a provision for a **long service bonus**. The agreement with the City of Toronto, Ontario, and International Association of Fire Fighters contains a **service bonus.** Payments applied across all firefighter ranks are calculated as follows: 6 years of service, $77 per year; 11 years, $143 per year; 16 years, $205 per year; 21 years, $260 per year; 26 years, $325 per year and 30 or more years, $340 per year. Amounts generated will be included as salary in calculating overtime, vacation, statutory holiday pay, pension contributions, sick leave pay, etc. Provincial Health Authorities of Alberta, province-wide and Health Sciences Association of Alberta have established a **long service increment** whereby an equivalent to 3.5 per cent of the current top step will be added as a 9th step of the salary schedule for all professional and technical classifications in Pay Grade 6 and above. To qualify for the increment, eligible employees must have six years of service at the previous top step of their classification.

Working Conditions

The City of New Westminster, British Columbia and Canadian Union of Public Employees have established a **flexible work hours** arrangement for employees in certain classifications who are scheduled to work extended work days in order to attend public sessions or meetings.

Over the review period, many unique leave provisions were negotiated. Air Transat A.T. inc., and International Association of Machinists and Aerospace Workers, various locations, Canada-wide and outside Canada, have negotiated a new **leave without pay** provision whereby employees willing to take such leave to pre-

vent other employees from being laid off, will continue to accumulate seniority for wage increase and vacation entitlement purposes. The parties have also established a leave of one day **after an off-base posting** lasting 30 consecutive days; two days from between 30 and 60 days; three days from 60 to 90 days and 4 days from 90 to 180 consecutive days. The Government of Canada, Canada-wide and Canadian Association of Professional Employees have negotiated a similar leave provision for **trips on government business.** An employee will receive one day of leave after being away from home for 40 nights per year on government business outside their headquarters area. There will be an additional one day of leave for each additional 20-night period up to a maximum of five days per year.

The Provincial Health Authorities of Alberta, province-wide and Health Sciences Association of Alberta have introduced a special paid leave of up to four days per year if an employee is unable to work due to **unanticipated circumstances of pressing necessity** requiring the employee's personal attention. The City of Toronto, Ontario and International Association of Fire Fighters have established a new **quarantine leave** whereby time lost by an employee as a result of being quarantined by a certified medical practitioner because of a job related incident will be treated as a leave of absence with pay for the duration of the quarantine.

The College Compensation and Appointments Council, province-wide, Ontario and Ontario Public Service Employees Union established a **workplace wellness** task force. In order to maintain a positive workplace, the committee will undertake to investigate components of workplace wellness; identify sources of workplace stressors; assess mechanisms for relieving existing workplace stressors; review colleges' current practices; and gather and analyze information on employee and management concerns.

A new **health spending account** has been established between the Government of Manitoba, province-wide and Manitoba Government and General Employees' Union. Effective January 1, 2005, the individual account will provide full-time employees reimbursement to a maximum of $120 per year in supplemental medical expenses and part-time employees to a maximum of $60 per year; effective January 1, 2006, $200 and $100, respectively.

Job Security

Three agreements have negotiated a **plant closure** clause with varied severance packages. Autoliv Electronics Canada Inc., Markham, Ontario and International Association of Machinists and Aerospace Workers offer a **severance** payment in a lump-sum payment equal to three weeks' pay per year of service to a maximum of 65 weeks' pay. Tolko Industries Ltd., The Pas, Manitoba and Communications, Energy and Paperworkers Union of Canada offer lump-sum payments equal to two weeks' pay per year of service to a maximum of 52 weeks. Tower Automotive, Toronto, Ontario and United Steelworkers also provide a severance payment to employees with over five years service of one week's pay per year of service to a maximum of 34 weeks.

The College Compensation and Appointments Council, province-wide, Ontario and Ontario Public Service Employees Union have introduced a **return-to-work program.** Every college will have a policy to support injured and ill employees in returning to work, and will contain the following:

- a statement of commitment that describes how the program will operate, which may include a permanent or ad hoc committee;
- strategies that support the statement of commitment and formal framework within which individual return-to-work cases are managed;
- a description of roles and responsibilities for the various stakeholders involved in the process;

- a process that outlines the steps to be followed in managing individual cases, including a mediation component;
- a communications and training component; and,
- a process for regular reviews of the program.

Overwaitea Food Group, province-wide, British Columbia and United Food and Commercial Workers International Union have negotiated a **job security guarantee** provision. In the event that an existing Overwaitea store is impacted by the opening of a new Overwaitea store in close proximity, the employees will not suffer a reduction of hours, pay or benefits. If an employee is impacted by such a development, the employee may be transferred to another store within an area of 40 kilometres. The guarantee covers Pay Grid A and B employees who have a minimum of four years continuous service, are at the top of their classification and have averaged a minimum of 24 hours work per week for a period of three consecutive months.

Training

Tolko Industries Ltd., The Pas, Manitoba and Communications, Energy and Paperworkers Union of Canada have a provision to cover apprentice **out-of-town training expenses**. On successful completion of the required period of vocational school training, the employer will reimburse expenses to a maximum of two hours' pay per day on a 7-day per week basis at the first year apprentice rate.

Queen's University, Kingston, Ontario and Canadian Union of Public Employees have a **tuition assistance program** for the service and maintenance employees. An amount of up to $400 per year will be available for work-related courses at a recognized institution other than Queen's. For courses taken at Queen's, the tuition payment will be waived to a maximum value equivalent to five full-credit undergraduate arts and science courses. The university also has a **tuition support plan** with a fund of $70,000 per year. If the value of eligible claims is less than the total available, the surplus will carry forward to the next year. If eligible claims exceed the total available, the fund will be reviewed and amounts will be prorated based on the number of claims. Employee's spouses and dependent natural, step, common-law and adopted children under the age of 25 are eligible for tuition support up to $3,000 per year, per person. This support allowance can be applied to full- or part-time undergraduate, graduate and professional programs offered at any recognized university or college in Canada or the United States.

Labour-Management Committees

During the first quarter of 2004, 13 of the 34 agreements with innovative practices contained provisions for establishing committees dealing with a wide variety of concerns.

The City of Toronto, Ontario and International Association of Fire Fighters have established a committee which will examine the possibilities of moving to a promotional process that focuses on **career development and continuous learning,** while maintaining placement on a list based on seniority within a qualification period. The committee will investigate opportunities for a modular-based qualification and re-qualification process. The parties have also initiated committees concerning substance abuse policies, benefits monitoring, hours of work and staffing reviews.

The British Columbia Assessment Authority, province-wide and Canadian Union of Public Employees have introduced a **productivity** committee to identify improvements in processes and work practices, enhancements in the delivery of services to the public and innovations and improved efficiencies throughout the organization.

Other committees included in collective agreements discuss such items as classification evaluations, job profiles, health and welfare benefits, retiree benefits, pension plan reviews and modified work to accommodate ill or injured employees.

Labour-Management Partnerships Program

Federal Mediation and Conciliation Service
Labour Program, Human Resources and Skills Development Canada

The Labour-Management Partnerships Program is a contribution program administered by the Federal Mediation and Conciliation Service. The program is designed to encourage effective labour-management relations in the workplace or at the sectoral level by providing funding assistance that supports efforts by unions and employers to jointly explore new ways of working, and of working together.

Projects by organizations representing the interests of both labour and management are eligible for funding if they are innovative, help to foster positive labour-management relations, and have the potential to provide results that will be useful for other workplaces. A selection of recent projects involving organizations representing these joint interests is listed below.

Recent Conferences and Research Funded by the Labour-Management Partnerships Program

Enhancing Stakeholders' Knowledge and Skills in Disability Prevention, Detection and Management

organized by the Canadian Institute for the Relief of Pain and Disability

The Labour-Management Partnerships Program provided funding to the Vancouver-based Canadian Institute for the Relief of Pain and Disability (formerly the Physical Medicine Research Foundation) to support a wide-ranging project which included a conference. The Institute is a national non-profit organization which seeks to reduce disability and impairment from soft tissue injuries.

The project included the organization of an international conference entitled: "Symptom, Diagnostic and Disability Validity: Improving Patient Outcomes." This scientific meeting was held September 26-29, 2002 in Markham, Ontario, and was open to those with an interest in improving worker/patient health outcomes. More than 180 people attended the conference including representatives from labour, management, and the research and health and safety communities.

Conference objectives were to facilitate communication among labour, management and researchers to better identify issues of common interest. They also sought to prioritize research issues and identify common information needs.

The conference was followed by a labour-management focus group which reviewed the conference findings, discussed strengths and weaknesses in current research and identified common research priorities in order to provide better information to organizations that fund research in this area.

The project also included panel discussions; follow-up focus groups in Vancouver, Toronto and Hamilton; a research focus group; two surveys and data collection and analysis.

Information about the Institute can be viewed on their Web site at: http://www.cirpd.org.

The Health Care Health & Safety Association of Ontario and Christian Labour Association of Canada (CLAC)

A financial contribution was provided to help fund a joint Labour-Management Conference in Alliston, Ontario, from November 27-28, 2002. About 150 employees from 23 long-term care facilities in Ontario attended the conference jointly sponsored by the Health Care Health & Safety Association and the Christian Labour Association of Canada.

The objective of the conference was to improve communication and problem-solving skills related to the development of return to work plans for injured workers. This was a follow-up to a 1999 conference which focused on the grievance resolution process and improved problem-solving skills for supervisors and union stewards. The conference reviewed the role that a union steward can adopt to increase the success rate of those persons returning to work after an injury. The review included identifying tasks for modified work, communicating program benefits to injured employees and co-workers, and attending return-to-work meetings with the worker.

The conference included a seminar on the "Essential Communication and Problem-Solving Skills in the Workplace." This part of the program utilized role play and tools used in the return-to-work process such as forms, progress reports, and physical demands analysis. This was followed by a discussion, the review and charting of comments, as well as time-staggered surveys.

Results of the surveys showed a wide variation in the understanding of the return-to-work process. As an example, some participants did not know how to use the tools involved in the process. Other participants found the conference role play provided them with useful long-term skills, such as asking open ended questions; using positive body language; and finding shared common ground. The six-month survey confirmed the value of this conference.

The Canadian Industrial Relations System—Current Challenges and Future Options, by the Conference Board of Canada

With the assistance of a six-member advisory committee composed of employer and union representatives, the Conference Board undertook an extensive research project on the industrial relations system in Canada. The project sought answers to the question of "Is there a better way?"

The project included the participation of leaders from the labour movement, business and academia. Components of the project included a literature review, a ten-page survey targeted to almost 400 leaders from management and labour; a day-long roundtable discussion with about 25 participants; and—based on roundtable results—key informant interviews with another ten individuals from the academic, employer and union sectors.

Study results are contained in a November 2003 report entitled: "The Canadian Industrial Relations System current challenges and future options," which contains recommendations for a renewed Canadian industrial relations system. Information can be found on the Conference Board Web site at http://www.conferenceboard.ca.

University of Toronto

A two-day conference on workplace issues in Canada was held in Ottawa on November 14-15, 2002. The objective of the conference was to present and discuss recent research based on results from the Statistics Canada Workplace and Employee Survey. This longitudinal survey focussed on the relationships among competitiveness, innovation, technology use and human resource management on the employer side and technology use, training, job stability and earnings on the employee side.

The organizers worked with an advisory group which helped to formulate the conference program. A two-day authors workshop was also organized before the conference to discuss work in progress and common research issues. The November conference showcased recent research on issues such as: wage differentials among workers and firms; the determinants of workplace training; firm effects and labour turnover; employment contracts; and productivity.

More than 125 participants attended the conference, from the private sector, unions, government, and universities across the country and from the United States. They discussed fundamental forces in the economy and society that are shaping the future of the Canadian workplace, along with practical implications for labour and management.

Information on the Workplace and Employee Survey can be found at http://www.statcan.ca/english/survey/business/workplace/workplace.htm.

International Symposium—"Equity, Efficiency or Ethics? Corporate Codes of Conduct and the Social Regulation of the Global Firm"

organized by the Inter-University Research Centre on Globalization & Work
(Centre de recherche interuniversitaire sur la mondialisation et le travail) at the HEC Montréal

The Labour-Management Partnerships Program contributed to this symposium held in Montréal, from April 30 to May 2, 2003. Participants from Canada, the United States, Mexico and France who work in the public and private sectors, universities, companies, unions and non-governmental organizations, met to discuss practical, policy and scientific strategies surrounding codes of conduct and the social regulation of global firms.

Web-site Portal

Quebec Order of certified human resources professionals and industrial relations counsellors /
Ordre des conseillers en ressources humaines et en relations industrielles agréés du Québec

The objective of this project is to create a labour-management Web site, via the Web site of the Order. An advisory group, composed of labour and management representatives, labour relations specialists and academics, has been established to suggest and evaluate the documents, links and sources of information to be included in the Web site. The contents of the Portal will enable the regroupment of a wide range of subjects relating to labour-management relations (database of best practices in labour relations, articles, research projects, guides, manuals and practical tools) which will assist labour relations practitioners in the development of labour-management relations. The site can be viewed at http://www.portail-rhri.com.

Upcoming

Threads of Life

Threads of Life is a newly established not-for-profit organization which aims to support families who have been affected by a workplace tragedy such as death or injury. The organization was launched on April 14, 2003 during a Health and Safety Conference sponsored by the Industrial Accident and Prevention Association. Families from across the country shared their experience and took the first steps towards building a national organization. In addition, employers, unions and government organizations have lent their support to the initiative.

A Family Forum is scheduled for the fall of 2004. More information can be found on the group's Web site at http://0www.threadsoflife.ca.

Reformulating Industrial Relations

by the Canadian Industrial Relations Association

The Canadian Industrial Relations Association brings together Canadian and foreign researchers, employer/management personnel and representatives from governments and tripartite organizations that specialize in industrial relations and human resources management. This year's conference was held in Winnipeg from June 4-6, 2004, at the University of Manitoba. The theme of "Reformulating Industrial Relations" was handled from two perspectives: as a field of study and as an area of policy and practice. Particular emphasis was being placed on liberal market economies especially Canada and Britain. Over 150 participants attended.

The Association's annual conference is organized within the framework of the annual conference of the Canadian Federation of the Humanities and Social Sciences; and this year, presentations will be also be made to the newly formed *Canadian Alliance for Work and Employment Studies*. The purpose of this group is to coordinate and provide a program listing of all papers of broad relevance to work and employment studies at the Congress regardless of the association under which they are presented. For information please see Canadian Industrial Relations Association Web site at http://www.cira-acri.ca.

Ongoing Projects

The following projects are currently being funded by the Labour-Management Partnerships Program. A summary of most reports will be published in future issues of the *Workplace Gazette*.

Canadian Broadcasting Corporation *and* Canadian Media Guild (CMG)

This project is evaluating a performance management and staff development process which emphasizes regular feedback and coaching for employees. National Committee members and more than 60 locally based joint committees—all of which include both labour and management representatives—are participating in this evaluation. Results will be made publicly available through the Canadian Broadcasting Corporation Web site at http://www.cbc.ca.

Canadian Standards Association

In conjunction with a steering committee of union, management and government representatives, the Canadian Standards Association will oversee the development of a Canadian National Standard on occupational health and safety management systems. Other interests will be accommodated in a non-voting capacity in order to obtain broad representation from specific industry sectors. The Canadian Standards Association is accredited as a Standards Writing Organization in Canada.

City of Toronto *and* Toronto Professional Fire Fighters Association, Local 3888

This pilot project between the City's Fire Services Division and the Toronto Professional Fire Fighters Association, Local 3888, is intended to develop and sustain an interest-based collaborative approach to all labour relations issues, including bargaining. The approach will be introduced to line management and union representatives through workshops, training and the development of best practices related to collaborative labour-management relations.

Femmes regroupées en options non-traditionnelles *and* Société de transport de Montréal and Syndicat du transport et des employés des services d'entretien (CSN)

The objectives of this project are to produce a 25-minute video outlining the myths and realities of women working in predominantly male environments. Supporting training material, including training techniques, is also being developed to ensure that managers and union stewards are fully aware of their responsibilities to women workers in non-traditional occupations.

Visit Femmes regroupées en options non-traditionnelles at http://www.front.qc.ca.

Ford of Canada Ltd. *and* **the Canadian Auto Workers' Union**

The union and the company have received funding for a film looking at three types of harassment: gender, racial and sexual orientation. Using actors to portray events, the film will recreate harassment incidents, and give direction to victims of harassment and their union representatives and co-workers on how such situations should be handled to further the goal of eliminating harassment in the workplace. A joint steering committee is overseeing the concept, treatment, rough and fine cut reviews and pilot testing. The film will be used as a training tool in CAW-represented workplaces and in other unionized and non-unionized workplaces.

John Forsyth Shirt Company and Ike Behar Inc. *and* **Union of Needletrades, Industrial and Textile Employees**

The project aims to prevent and reduce work-related musculoskeletal disorders in the clothing industry by developing and implementing an ergonomics program. The program involves all interested parties—management, workers, union representatives and researchers—who work together as an Ergonomics Change Team. The teams' functions are to assess and prioritize the risky jobs in the plant and to brainstorm, develop and implement solutions. This is the final phase of a project which began in 2001. Project results will be published and widely distributed, via the union's website and newsletter, in an easy-to-read self-help guide developed for employers, health and safety representatives, and workers.

Visit the Union of Needletrades, Industrial and Textile Employees' Web site at http://www.unite-svti.org.

Queen's University

The University is undertaking an assessment of the outcome of the 1998 legislative review of Part I of the *Canada Labour Code* and subsequent amendments. Representatives of the Canadian Labour Congress and of Federally Regulated Employers—Transportation and Communication are participating in the project steering committee. The project, which will lead to a presentation and a published report, includes a survey of major Part I clients, and interviews and/or small group discussions with selected labour and management representatives.

Visit Queen's University Web site at http://www.queensu.ca.

University of Calgary

In conjunction with a union-management steering committee, the applicant is producing a 30-minute video featuring best practices in labour-management relations in Canada. The video will assist labour and management by highlighting activities that have proven successful for other companies, unions and industries. Emphasis will be placed on those practices which contribute to sustainable initiatives. Visit the University of Calgary Web site at http://www.ucalgary.ca.

Westfair Foods Limited *and* **United Food and Commercial Workers Union, Local 247**

The objective of this project is to develop a system of labour-management cooperation and to support innovative labour-management solutions. Topics being covered include workplace safety, attracting and retaining workers and creating a more cohesive work environment with better communications. Cooperation between the parties will be documented in the form of videos, training manuals and standard operating procedures.

For more information, contact the Labour-Management Partnerships Program, Federal Mediation and Conciliation Service at (819) 994-5470 or 1-800-563-5677 or visit their Web site at

http://www.hrsdc.gc.ca, *click on:*
(1) Partnership and Funding.
(2) Labour Partnerships.

Compassionate Care Benefit

A New Alternative for Family Caregivers

J. Dawe
Labour Program Communications
Human Resources and Skills Development Canada

Among the most difficult challenges a person may face is to have to make decisions about a family members' end-of-life care. It's a challenge currently faced by an ever increasing number of Canadians. And the choices they have often pose significant emotional and financial costs.

Now imagine having the option to spend those final moments together without the stress, guilt and financial burden associated with time off from work—even if that time is days or weeks.

That is the philosophy behind the Government of Canada's new Compassionate Care Benefit.

Introduced in January 2004, the Compassionate Care Benefit provides an alternative for family caregivers who must balance the needs of the family with the need for income and job security.

New provisions under the *Employment Insurance Act* have now made it possible for eligible workers to receive up to six weeks of employment insurance benefits when time off of work is required to care for a spouse or common-law partner, a parent, the spouse or common-law partner of a parent, a child, or a child of the spouse or common-law partner.

Part III of the *Canada Labour Code*, which applies to workplaces under federal jurisdiction, has been amended to provide for eight weeks of compassionate care leave with job protection. These amendments ensure that upon returning to work, the employee will be reinstated in his/her former position or in a comparable position in the same location with the same wage and benefits.

Many of the provinces have also followed suit with similar amendments to provincial labour codes that allow the same protection for workers in their respective jurisdiction.

The employment insurance benefit under the *Employment Insurance Act* is also flexible and can be shared amongst other eligible family members. For example, a sister and brother may each receive three weeks of benefits when caring for an ailing parent. Caregivers who must travel to be with a loved one are also eligible—even if the travel is outside of Canada.

A medical certificate from the patient's attending doctor or medical practitioner is required indicating that the patient has a serious medical condition with a significant risk of death within 26 weeks. The ensuing leave must then be taken within the 26-week period.

One of the most difficult times anyone can face is when a loved one is dying or at risk of death. The Government of Canada believes that in such times, Canadians should not have to choose between keeping their jobs and caring for their families. The Compassionate Care Benefit will remove some of the stress from that decision.

For more information, consult the Human Resources and Skills Development Canada Web site, at http://www.hrsdc.gc.ca.

360-Degree Feedback at PACCAR of Canada Ltd.

Brigitte Banville and Sylvie St-Onge
HEC Montréal

PACCAR of Canada Ltd.: History and Mission

The PACCAR of Canada Ltd. plant, located in Sainte-Thérèse, Quebec, assembles Kenworth and Peterbilt model trucks, which it ships mainly within North America. The company has a production capacity of 120 trucks per day over three shifts.

In 1907, owner Arthur Sicard invented the snowblower using the same principle as a grain thresher. The Sainte-Thérèse plant was built at the beginning of the 1960s and produced snowblowers under the name Sicard Inc. In 1967, Sicard Inc. was bought by Pacific Car & Foundry and the plant began manufacturing heavy-duty trucks under the Kenworth banner. In 1971, Pacific Car & Foundry became PACCAR Inc. In April 1996, the Sainte-Thérèse PACCAR plant shut down following a nine-month strike and various market and labour relations problems (absenteeism, communications problems, etc.). The old plant was razed to make room for a completely new facility, which reopened in September of 1997. Production commenced under the name PACCAR of Canada Ltd. in August of 1999.

Strategic Management Changes

Today, the plant employs 800 workers. The unionized personnel are represented by Local 728, PACCAR unit, of the Canadian Auto Workers (CAW-Canada). The majority of specialized employees who were working at the plant at the time of its 1996 shutdown were rehired in August of 1999.

At the time of the plant's reopening, a radical shift in management culture and structure was necessary. To this end, board of directors, in cooperation with the union and the plant's old employees, established the vision, mission, values and guiding principles under which management of the new plant would be conducted.

Plant management aims to make the company "the best truck assembly plant in the industry." Their mission is to "assemble the most innovative, high-quality and efficient trucks in terms of operating cost" for their industry. Moreover, within the plant, all employees are considered to be ambassadors of the

— This company received the 2002 IRIS award of the *Ordre des professionnels en ressources humaines du Québec* for its contribution to organizational change.

The authors wish to thank Normand Charron, Director of Human Resources and Organizational Development at PACCAR, for his contribution to this case study. This study has been filed with the Centre de cas des HEC Montréal, in Quebec.

plant and are responsible for promoting the following seven values:

- **Health and safety:** Behaving in a manner that ensures their own safety as well as that of others;
- **Quality:** Working with the aim of producing quality results;
- **Mutual respect:** Adopting an attitude of respect in all their conduct with others;
- **Communication:** Communicating in a manner so as to be understood and responding in a constructive fashion;
- **Teamwork:** Participating in teamwork in an active and constructive way;
- **Continuous improvement:** Continuously striving to improve work methods;
- **Client satisfaction:** Demonstrating involvement in internal and external client satisfaction.

Beyond this strategic thinking, the new plant's opening in 1999 was associated with the implementation of a slimmer organizational structure comprising two levels of management and three production centres (mini-plants): the production team, the support team and the management team. This less hierarchical structure makes it easier to achieve production objectives and improve client satisfaction while holding managers accountable. More precisely, a modular style of work planning and a "just in time" supply system offer the necessary flexibility to produce various models of trucks in order to satisfy the particular needs of clients.

PACCAR's Human Resource Management Strategy is aimed at achieving the plant's operational objectives as well as fostering a culture of employee involvement and continuous improvement. Personnel management emphasizes accountability, communication, recognition and skills development. As the plant's success rests on the development and performance of its employees, management has decided to adopt a 360-Degree Feedback Process.

Description of the 360-Degree Feedback Process

In 1999, the director of human resources at PACCAR decided to implement a feedback or 360-Degree Feedback Process (also called Multi-Source Feedback) for plant managers and coordinators. This process provides for the collection of information pertaining to an employee in relation to various other individuals (peers, subordinates, superiors, internal or external clients) and for a self-evaluation. At PACCAR, 360-degree evaluations are used strictly for development or skills improvement at the managerial level. The union is not interested in its being used for administrative purposes.

In the beginning, 360-degree feedback was an in-house process. The director of human resources collected the written opinions of various people and met with management to brief them on the results. In 2002, the company hired a firm of industrial psychologists to collect and analyse the feedback and then to meet management and inform them of their evaluations. The consultants' first task was to review the form and content of the comment collection questionnaire to ensure its validity. Since 2003, feedback from the various sources has been collected on a secure Website.

Through this feedback process, assessors are asked to evaluate plant managers and coordinators against eight general factors derived from the guiding principles of management. To arrive at eight factors, or competencies, aligned with PACCAR values, management consulted with employees, the union and managers. In the questionnaire, the questions were not grouped by factor but rather in a manner

aimed at enhancing their validity. Specifically, 49 behaviours aimed at measuring the eight key factors listed below were evaluated:

- Leadership (9 questions);
- Teamwork (6 questions);
- Personal Efficiency (4 questions);
- Continuous Improvement (4 questions);
- Client Satisfaction (5 questions);
- Personnel Mobilization (9 questions);
- Personnel Development (8 questions);
- Integrity (4 questions).

The 360-Degree Feedback Process is conducted annually for all 60 plant executives. Each year, the managers receive, in a fully confidential and anonymous manner, all feedbacks provided by their peers, subordinates, superiors and internal clients. (External clients have not been part of this process.) Each manager also conducts a self-evaluation to compare feedbacks from others with his or her own self-perception.

When evaluating managers, human resources professionals normally choose assessors from within the managers' own teams, and ensure the presence of at least three assessors from each evaluation source (e.g. subordinates, clients) except for immediate superiors. All subordinates and colleagues are required to fill out an assessment form. A human resources professional may ask a manager being evaluated to identify his or her internal clients when they are not easily identifiable. For the human resources, for example, an internal client would be the union.

Assessors provide their evaluations directly on a secure Web site. Only the consulting firm has access to the detailed information contained on this site. Furthermore, numerous precautions are taken to protect the confidentiality of the evaluations (confidential passwords, transposition of questions, encryption, etc.). Assessors receive an e-mail message asking them to conduct the evaluation of a given manager and they receive a code giving them access to the system so they can fill out the assessment form. The evaluation must then be returned to the consulting firm.

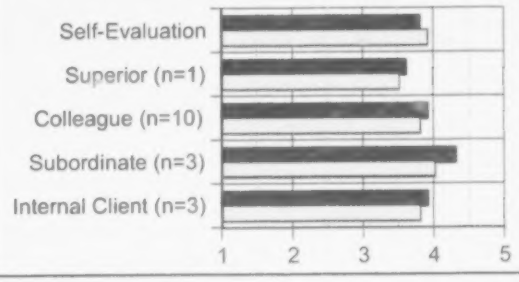
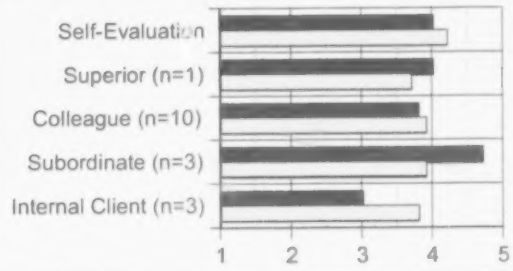
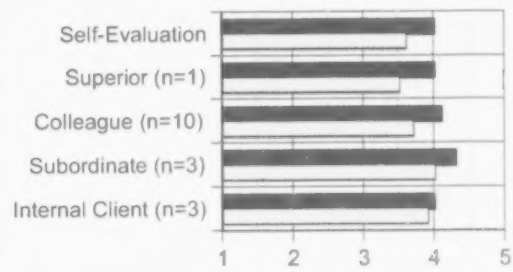
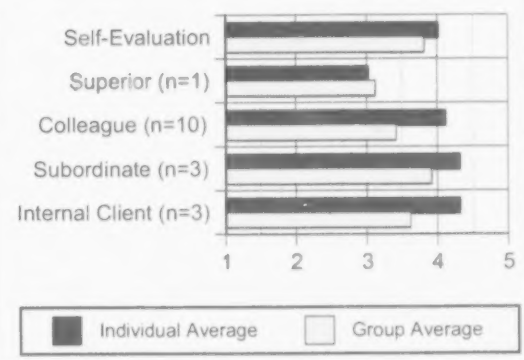
The data collected are statistically analysed by the external consulting firm of industrial psychologists, who prepare a feedback report providing the managers with their average scores against the eight evaluated factors and related behaviours, and stating the number of assessors from each source asked to participate (see Table 1).

A psychologist from the firm also conducts meetings (development sessions) with small groups of evaluated managers to explain their 360-degree feedback reports. These semi-personalized sessions normally involve six managers and last about four hours. The psychologist explains in detail the feedback offered, ensures it is adequately interpreted, and helps managers in developing individual action plans. A development plan (see Table 2) gives the assessed managers a maximum of three or four specific activities to work on in order to improve themselves, with an eye to obtaining a better feedback the following year. For instance, a development objective may simply be to "demonstrate a more proactive client-oriented attitude in order for the average score for this behaviour to be above 4.0 for the next 360-Degree Feedback Process." The scale used in the assessment questionnaire goes from "almost never" (1) to "almost always" (5). It is also possible to answer "not applicable" (6).

The action plan developed for each assessed manager during the 360-Degree Feedback Process is submitted to his or her immediate superior in advance of an annual meeting provided for by the PACCAR Personnel Development Program. The Program is aimed at discussing the various managers' contributions to the success of the plant

Table 1

Example of an Individual Leadership Feedback Report

Behaviour	Results	Individual Average	Group Average
AVERAGE for the factor:		3.8 3.6 3.9 4.3 3.9	3.9 3.6 3.8 4.0 3.8
Promotes the ideas of his or her teammates.		4.0 4.0 3.8 4.7 3.0	4.2 3.7 3.9 3.9 3.8
Effectively delegates responsibilities to others.		4.0 4.0 4.1 4.3 4.0	3.6 3.5 3.7 4.0 3.9
Adapts his or her leadership style to the situation.		4.0 3.0 4.1 4.3 4.3	3.8 3.1 3.4 3.9 3.6

and at offering them opportunities for skills development. During the year, the managers' direct supervisors must offer regular feedback with respect to the attainment of the objectives set out in the Personnel Development Program.

Efficiency of the 360-Degree Feedback Process

Immediately upon its implementation, PACCAR managers were open to participating in the management evaluation process mainly because it was not used for evaluation purposes, but rather for development purposes. Managers now regularly request feedback with regards to their competencies. It seems that all employees wish to benefit from this feedback process, and those who do not have access to it yet ask for it on a regular basis.

At PACCAR, plant employee performance assessment is currently conducted on a non-official basis. In accordance with the management culture, managers are encouraged to offer regular informal feedback to employees. They are also asked to quickly address employees inadequate behaviours as they arise. In the future, PACCAR executives wish to implement a simplified version of the 360-Degree Feedback Process with all plant employees.

Managing a 360-Degree Feedback Process requires time and money. Management estimates that each feedback report analysis costs $125, including all fees related to the feedback process (Internet processing of forms, result analysis and production of individual feedback reports for each manager). However, PACCAR management believes that the benefits justify this expense. Furthermore, a 360-Degree Feedback Process allows for regular communication of management values and the further alignment of manager behaviour and skills with these values. A recent organization-wide

Table 2

Example of an Individual Development Plan

Development Objective	Action Plan	Deadline
Definition: Demonstrate a more proactive client-oriented attitude in order for the average score for this behaviour to be at or above 4.0 for the next 360-Degree Feedback Process.	1. Ask my supervisor what "being proactive" means in a practical sense. Also ask for examples.	As of May 7th
	2. Identify the member of my team known by clients as being the most proactive and ask him or her to coach me.	As of May 7th
Personal benefits: • Better client relations • Better performance evaluation	3. Ask my supervisor and my coach to provide feedback on my behaviour as often as possible—at least once every two weeks.	As of May 7th
Organizational benefits: • More satisfied clientele • More significant contribution to team's attainment of objectives	4. Read one of our library's books on client services.	As of May 21st
	5. Pay more attention to clients and regularly ask them for feedback.	As of May 7th

survey confirms that, in general, the values and behaviour fostered by PACCAR are known and understood by plant personnel. Such a feedback system also facilitates career management and development for employees.

The 360-Degree Feedback Process allows PACCAR human resources specialists to access general information on management skills and behaviours. The consulting firm provides them with a list of strengths and weaknesses highlighted by manager feedbacks as a whole. Over the year preceding this case study, for example, this information revealed that managers offered too little recognition to employees. Information sessions on the importance of effective recognition, as well as on the forms of recognition that should be favoured, were consequently given to all employees.

According to the human resources director at PACCAR, a successful 360-Degree Feedback Process requires many pre-existing factors. First and foremost, confidentiality and anonymity must be assured through the use of a secure Web site. It is also important to properly train the assessors and assessees. At PACCAR, a four-hour startup training session is given to each manager to explain the importance of development feedback and how to provide it to subordinates. Moreover, it is important to adapt a 360-degree evaluation system to the context of each organization and to avoid using an off-the-shelf system with little or no modification or adaptation.

Volunteer Work Provisions

Marie-Ève Bédard
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Labour Program, Human Resources and Skills Development Canada

The ever-increasing demand for volunteers and the small numbers of these resources have prompted governments to call upon organizations to encourage their employees to offer their services.

Volunteers are becoming scarcer. In fact, the *National Survey of Giving, Volunteering and Participating*, conducted in November 1997 and December 2000 by Statistics Canada,[1] indicates that the number of volunteers aged 15 and older dropped from 7.5 million in 1997 to 6.5 million in 2000. With this decline, however, came an upswing in the number of hours contributed by those who do volunteer, from an annual average of 149 hours in 1997 to 162 in 2000.

Of the 6.5 million Canadians participating in volunteer activities in 2000, half were working in either the public or the private sector. Moreover, survey results show that nearly 1.7million employees volunteering their services benefited from some sort of employer support. This group had an average of 148 hours of volunteer activity per year, or 20 hours more than employed volunteers not benefiting from such support. Employers offer various types of support or encouragement, including making their employees available for volunteer work (57 per cent), granting leave (57 per cent) or accommodating flexible work schedules in order to facilitate volunteer work (54 per cent).

Employers may profit in several ways from the support they offer. For example, such support promotes a positive public image for their organization and encourages employee retention.

Participating in volunteer activities may also help employees develop new skills, which can improve job effectiveness. And according to Statistics Canada, the percentage of employees who believe that the skills they acquire through volunteer work apply directly to their jobs is higher among those supported by their employer (46 per cent) than those without such assistance (29 per cent).

Employers offer various types of support or encouragement, including making their employees available for volunteer work, granting leave or accommodating flexible work schedules in order to facilitate volunteer work.

Workers report that volunteer work increases their occupational achievement and that fundraising activities, in particular, improve their interpersonal, managerial, technical, communication and organizational skills.

[1] *Perspectives on Labour and Income*, April 2003, online edition.

Clearly, there are benefits to be derived, by employers and employees alike, from employer-promoted volunteer work. In spite of these benefits, provisions of this type are few and far between in labour agreements. What provisions do exist are primarily found in public sector agreements, specifically at the federal government level.

Excerpt from one collective agreement:

Treasury Board and the Public Service Alliance of Canada – Program and Administrative Services, 2001-2003, 1196303

> *VOLUNTEER LEAVE*
>
> *42.01 Subject to operational requirements as determined by the Employer and with an advance notice of at least five (5) working days, the employee shall be granted, in each fiscal year, one (1) day of leave with pay to work as a volunteer for a charitable or community organization or activity, other than for activities related to the Government of Canada Workplace Charitable Campaign;*
>
> *The leave will be scheduled at times convenient both to the employee and the Employer. Nevertheless, the Employer shall make every reasonable effort to grant the leave at such times as the employee may request.*

Only time will tell whether this type of provision will gain wider acceptance as Canada faces an aging population and reduced public services.

Selection of Recent Changes in Canadian Labour Laws

Adopted Bills, Regulations and Other Statutory Instruments

MICHEL GAUVIN, CHARLES PHILIPPE ROCHON and **ANNICK DELISLE**
Labour Law Analysis
Strategic Policy and International Labour Affairs
Labour Program, Human Resources and Skills Development Canada

Federal: *An Act to amend the Criminal Code (capital markets fraud and evidence-gathering)*; Bill C-13; Assented to March 29, 2004[1]

Among other amendments to the *Criminal Code*, this bill will create a new general criminal offence aimed at preventing employer reprisals against employees who "blow the whistle" with respect to a violation of any federal or provincial/territorial law.

A new section of the *Criminal Code* (section 425.1) will thus prohibit an employer, a person acting on behalf of an employer, or a person in a position of authority from taking disciplinary action, demoting, terminating or otherwise adversely affecting the employment of an employee, or threatening to do so, with the intent of compelling the employee not to provide information to law enforcement officials concerning an offence committed by the employer (or an officer, employee, or one or more directors of the employer). Retaliating against an employee who has already provided such information will also constitute an offence. The maximum punishment for anyone found guilty of an offence under section 425.1 will be five years of imprisonment.

These amendments will come into effect on a day to be fixed by Order-in-council.

Alberta: *Employment Standards Amendment Regulation* under the *Employment Standards Code*; Alberta Regulation 28/2004; Alberta Gazette, Part II, March 15, 2004

The *Employment Standards Amendment Regulation* (the Regulation) applies to the home care[2] and residential care[3] sectors in lieu of the provisions of the *Employment Standards Code* (ESC) regarding hours of work and overtime. On April 1, 2004, this Regulation came into force, replacing a permit system set up for the home care and residential care industries, which had been in place since 1995. The provisions of the new Regulation are very similar to the conditions previously imposed by the permit system.

—Please note that this article is based on labour legislation adopted or proclaimed before June 18, 2004.

[1] An identical bill (Bill C-46) was introduced and passed third reading in the House of Commons during the previous parliamentary session. However, the session was prorogued before the bill could be adopted by the Senate.

[2] "Home care" means the provision of a health care service, a personal care service or a homemaking service at the clients homes, but does not include heavy housework service, handyman service, the services commonly known as "Meals-on-Wheels" and "Wheels-to-Meals", transportation service, office or administrative services.

[3] "Residential care" means the provision of a health care service or a personal care service to residential care clients, but does not include office or administrative services, menu planning or meal preparation, housekeeping, janitorial and maintenance services, or other services not directly related to the personal care and health care of the client.

A caregiver[4] employed for a 24-hour shift must be paid an amount at least equivalent to the minimum wage for 12 hours when providing home care, and for 24 hours when providing residential care. Also, hours of work exceeding 264 hours in a month are payable as overtime. However, only 12 hours per 24-hour shift are used in the calculation of hours worked for overtime purposes.

When employed for less than a 24-hour shift, a caregiver must be paid an amount at least equivalent to the minimum wage for hours worked. Overtime rates apply to hours worked in excess of 12 hours for each work day in a work month or in excess of 264 hours in a work month, whichever is greater. However, the employer may schedule, during a work day, a designated sleep time period, not exceeding eight hours, which is not counted in the calculation of overtime unless care is provided during those hours.

If a caregiver accompanies a client on a vacation or outing, the caregiver must be paid at least an amount equivalent to what he/she would have been paid for providing home care or residential care at the client's home or residential setting. However, the caregiver and the client may agree to another arrangement with respect to pay.

Finally, a home care worker providing less than two consecutive hours of work, excluding an unpaid meal period of an hour or less, must be paid for two hours at no less than the minimum wage. For that purpose, the hours worked immediately after the meal period are considered to be consecutive to the hours worked before the meal period.

Manitoba: *The Labour Relations Amendment Act*; Bill 37 Assented to June 10, 2004

The *Labour Relations Act* provides that if a collective agreement has expired; a strike or lockout has continued for at least 60 days; and the employer and the bargaining agent have attempted to conclude a new agreement with the assistance of a conciliation officer or mediator for at least 30 days during the strike or lockout, either party may apply to the Manitoba Labour Board to have a collective agreement settled by the Board or, if the parties agree, by an arbitrator chosen by them. Effective, June 10, 2004, Bill 37 brought the following changes to that process:

- The Manitoba Labour Board must make its initial determination—as to whether the parties are bargaining in good faith and whether an agreement is likely to be concluded within 30 days if they continue bargaining—within 21 days after the Board notifies the parties that it has received an application to settle the provisions of a collective agreement. This does not apply if the Board decides to delay making such a determination until it is satisfied that the party making the application has bargained sufficiently and seriously with respect to the unsettled provisions of a collective agreement.

- The party making the application must be bargaining in good faith in order for the Board or arbitrator to proceed to settle the provisions of a collective agreement.

- If the Board's initial determination is that the applicant is not bargaining in good faith, the applicant may re-apply at a later date for the settlement of the provisions of a collective agreement.

- If a collective agreement is settled more than six months after the last collective agreement expired, the new agreement is to remain in effect for a period of six months following the date of settlement.

[4] "Caregiver" means an employee who provides home care or residential care.

New Brunswick: *An Act to Amend the Employment Standards Act*; Bill 31; Assented to May 28, 2004

This Act added Remembrance Day (November 11) to the six other public holidays provided for under the *Employment Standards Act* (i.e. New Year's Day, Good Friday, Canada Day, New Brunswick Day, Labour Day and Christmas Day).

This amendment came into force when the Bill received Royal Assent.

Northwest Territories: *Wages Regulations—amendment*, under the *Labour Standards Act*; R-019-2004; Northwest Territories Gazette, Part II, of February 27, 2004

This regulation repealed section 5 of the *Wages Regulations*, which specified the communities and other places in which prevailed a lower minimum wage rate. This amendment is directly linked to recent changes to the *Labour Standards Act* that eliminated, as of December 28, 2003, "sub-minimum" wage rates based on age and place of employment.

This regulation came into effect on January 28, 2004.

Nova Scotia: *Justice Administration Amendment (2004) Act*; Bill 73; Assented to May 20, 2004

This Act will amend numerous provincial statutes, including the *Labour Standards Code* (LSC).

Complaints to the Labour Standards Tribunal

An amendment will set a six-month time limit for bringing appeals before the Labour Standards Tribunal, calculated from the time a complaint is received or an inquiry is initiated by the Director of Labour Standards.

Vacation Pay

On October 30, 2003, the LSC was amended to provide a third week of annual vacation to employees who have completed more than eight years of service with their employer. However, consequential amendments to vacation pay provisions were not made at that time, which means that vacation pay remained fixed at four percent of wages earned over the 12-month vacation entitlement period, regardless of an employee's length of vacation.

To correct this situation, the LSC will specify that employees who have completed more than eight years of service with the same employer are entitled to an amount of vacation pay equal to at least six per cent of wages.

Coming into Force

These amendments will come into force on proclamation.

Ontario: Amendments to the *Regulation respecting Control of Exposure to Biological or Chemical Agents* under the *Occupational Health and Safety Act*; Ontario Regulation 100/04; Gazetted May 8, 2004

In April 2004, a new system to regularly update exposure limits for workplace hazardous substances was announced by the Ontario government. As well, amendments to the *Regulation respecting Control of Exposure to Biological or Chemical Agents* under the *Occupational Health and Safety Act* have introduced more protective occupational exposure limits (OELs) for four substances (i.e. for manganese (dust and compounds) effective June 30, 2004, and for benzene, carbon monoxide, and 1,3-butadiene effective December 31, 2005). Ontario currently has OELs for more than 700 workplace substances. Under the new system, the

Ministry of Labour will regularly consult on OELs based on new American Conference of Government Industrial Hygienists (ACGIH) recommendations and their relevance to Ontario. Additional updates can be made beyond the ACGIH recommendations based on the best available scientific and medical research.

Prince Edward Island: *Occupational Health and Safety Act*; Bill 39 Assented to May 20, 2004

The passage of this bill has resulted in a rewrite of the previous *Occupational Health and Safety Act*, effective May 20, 2004. The text has been made easier to understand and gender neutral, and a few substantive changes have been made.

The *Act* continues to be administered by the Workers Compensation Board, and the duties of the Board and the Director of Occupational Health and Safety have been clearly defined with some adjustments. Moreover, additional penalties may be imposed when a person is convicted of an offence under the *Act* or the regulations. Among other things, the Court may, having regard to the nature of the offence and the circumstances of the case, order the offender to publish the facts relating to the offence and/or to pay to the Board an amount to be used for the purpose of educating the public on occupational health and safety matters. Such penalties may be required in addition to other penalties that may be imposed by a Court under the *Act* or the regulations, but the combined amount of these penalties may not exceed the maximum amount prescribed in the main section of the *Act* dealing with offences and penalties.

Lastly, the new regulatory powers permit the Board to exempt, with government approval, certain workplaces from the regulations, while allowing coverage under the *Act*.

Quebec: *Regulation to amend the Regulation respecting labour standards* under *An Act respecting labour standards*; O.C. 327-2004; Quebec Official Gazette, Part II, of April 7, 2004

The *Regulation to amend the Regulation respecting labour standards* will increase the minimum wage to $7.60 an hour over the next year. A first increase of 15 cents occurred on May 1, 2004 and a second, of the same amount, will take effect on May 1, 2005. The applicable minimum wage for employees earning tips will also increase by 30 cents during that period, rising to $6.85 an hour on May 1, 2005.

Quebec: *Regulation to Amend the Regulation respecting labour standards* under the *Act respecting labour standards*; Quebec Official Gazette, Part II, of June 9, 2004

The purpose of this Regulation is to set minimum standards regarding the remuneration of fruit and vegetable pickers who are currently excluded from minimum wage provisions.

Employees assigned to the picking of raspberries, strawberries and apples are thus now entitled to be paid a minimum piece rate, based on the quantity of fruit picked. Employees assigned to the picking of other fruit are entitled to the general minimum wage rate. The applicable amounts are $0.458 per 250 ml container of raspberries ($0.467 as of May 1, 2005) and $0.208 per 551 ml container of strawberries ($0.212 on May 1, 2005). With respect to apple picking, the amount of remuneration depends on the type of apple tree:

- dwarf apple trees: $1.11 per bushel (19.05 kilograms), increasing to $1.13 per bushel on May 1, 2005;
- semi-dwarf apple trees: $1.36 per bushel, increasing to $1.39 per bushel on May 1, 2005;
- standard apple trees: $1.57 per bushel, increasing to $1.60 on May 1, 2005.

However, an additional provision specifies that an employee is entitled to at least the general minimum wage rate (i.e. $7.45 per hour) if, "for reasons beyond the employee's control and linked to the state of the field or fruit," he/she cannot receive at least the same amount by using the piece rate to calculate his/her remuneration.

Furthermore, employees assigned mainly to non-mechanized operations relating to the picking of processing vegetables (especially those picking cucumbers for canning) will be entitled to the general minimum wage rate as of January 1, 2006.

These amendments are based on the recommendations of the committee on agricultural workers (Comité sur les travailleurs agricoles), whose report was tabled on December 17, 2003. The Minister of Labour had established this committee following the adoption, in June 2003, of the *Regulation to amend the Regulation respecting labour standards and to revoke the Regulation respecting the notice of collective dismissal*. Its mandate was to develop a permanent wage standard for employees assigned mainly to the non-mechanized picking of fruit and processing vegetables, who are now the only agricultural employees in Quebec not to be covered by the province's minimum wage.

This Regulation came into effect on June 24, 2004.

Quebec: *Regulation to amend the Regulation respecting a registration system or the keeping of a register and report transmittal* under the *Act respecting labour standards*; Quebec Official Gazette, Part II, of June 16, 2004

This Regulation, which follows the adoption of the *Regulation respecting labour standards specific to certain sectors of the clothing industry*, revoked sections 1.1 and 3 as well as Schedule I of the *Regulation respecting a registration system or the keeping of a register and report transmittal*. It also modified the title of the Regulation by removing the word "and report transmittal."

As a result, employers in the clothing industry that were previously covered by a decree no longer have to send monthly reports to the labour standards board (Commission des normes du travail). Moreover, the information that they have to keep in a registration system or register regarding each of their employees is the same as for other employers covered by provincial labour standards legislation.

These amendments came into effect on July 1, 2004.

Saskatchewan: *Labour Standards Amendment Act, 2004*; Bill 50; Assented to June 17, 2004

This Act has modified the Minimum Wage Board's powers and responsibilities and amended provisions regarding leave to care for a seriously ill or seriously injured immediate family member.

Minimum Wage Board

An amendment to the *Labour Standards Act* (LSA) specifies that the Minimum Wage Board must review the provincial minimum wage at least once every two years. In addition, regulation-making powers as regards the setting of minimum wages, the minimum age of employment, maximum wage deductions for room and board and the other matters previously set out under subsection 15(4) of the LSA now rest entirely with the Lieutenant Governor in Council. (Previously, the Lieutenant Governor in Council had the power to approve or reject regulations proposed by the Minimum Wage Board.) The Board's role is to undertake reviews and make recommendations to the Minister of Labour pertaining to any of these matters.

Absences in Case of Serious Illness or Injury of a Family Member

The LSA was already protecting eligible employees (i.e. those who have completed at least 13 consecutive weeks of service with their employer) against dismissal and other types of retaliation if they were absent from work, for up to 12 weeks in a period of 52 weeks, by reason of the serious

illness or injury of a member of their immediate family who is dependent on them.[5] Immediate family is defined in the LSA as a spouse, parent, grandparent, child, brother or sister of the employee or his/her spouse. A medical certificate attesting to the illness or injury must be provided to the employer, if the latter so requests in writing.

In light of the recent introduction of compassionate care benefits under the federal *Employment Insurance Act*, these provisions have been amended by extending the period of leave to cover any time during which an employee is receiving compassionate care benefits or serving the applicable waiting period for such benefits.[6] However, the maximum length of leave in these circumstances is limited to 16 weeks in a period of 52 weeks.

These amendments came into force on June 17, 2004.

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[5] An eligible employee may normally take a shorter period of leave—up to 12 days per calendar year—in the case of an illness or injury that is not serious.

[6] Under the *Employment Insurance Act*, an employee may receive up to six weeks of compassionate care benefits—after serving a two-week waiting period—to provide care or support to his/her spouse, child, father or mother if this person has a serious medical condition with a significant risk of death within a 26-week period, as attested by a medical certificate. An employee who meets the conditions and requirements of the program may qualify for compassionate care benefits twice within a one-year period (i.e. up to 12 weeks of benefits and two waiting periods totalling four weeks).

For additional information on recently adopted or proposed changes to Canadian Labour Laws, please visit the Human Resources and Skills Development Canada Web site at

http://www.hrsdc.gc.ca, *and using the (1) A-Z Index, choose "D" as Alphabetical Choice, and (2) click on Developments in Labour Legislation in Canada.*

Publications Concerning *Labour Statutes and Regulations*

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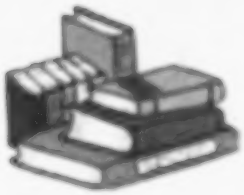

Managing Workplace Conflict

Blackard, Kirk and James W. Gibson. **Capitalizing on Conflict: Strategies and Practices for Turning Conflict to Synergy in Organizations: A Manager's Handbook.** Palo Alto, Calif.: Davies-Black, 2002.
HD42 B52

The premise of this book is that conflict within an organization has broad, systemic effects, and that conflict management requires more than simply resolving disputes. Effective management must create an environment that minimizes negative conflict and capitalizes on "positive" conflict such as difference of opinion which may not be counterproductive if managed effectively. Minimizing conflict involves especially the fostering of a trusting environment and avoidance of policy-driven conflict. Best practices and examples show how to expose suppressed conflict, resolve it, and learn from the experience. Managers are encouraged to empower employees to find ways to resolve conflicts themselves instead of relying on management policies that may not fit every situation.

Collins, Sandra D. **Managing Conflict and Workplace Relationships.**
Mason, Ohio: Thomson South-Western, 2005.
HD42 C63

This direct and compact presentation goes beyond the perspective of how to resolve conflict to an examination of why conflict happens and how it operates. An understanding of the nature of workplace conflict and the dynamics of a specific situation are necessary to determine the best way to resolve the problem. The author details a wide range of approaches to working through workplace conflict, including the collaborative mindset, effective listening and feedback, positive language, negotiation, mediation, and other methods of intervention. Decisive action preserves relationships, reduces unnecessary costs, and allows staff to remain focused on the organization's strategic objectives.

Lubit, Roy H. **Coping with Toxic Managers, Subordinates...and Other Difficult People.** Upper Saddle River, N.J.: FT Prentice Hall, 2004.
HF5548.83 L82

An ability to work effectively with difficult managers will have a significant impact on one's career, and can help senior managers protect their organization from the negative impact of toxic subordinate managers. The better the understanding of specific types of toxic managers, the better one will be able to influence them to behave in ways that enable one to work with them. The key to this ability is the development of emotional intelligence—understanding and coping with one's own feelings and the feelings of others.

The book shows how an individual can enhance his or her emotional intelligence and how to increase the level of emotional intelligence throughout the organization. The author depicts the behaviours and motivations of five types of toxic managers—narcissistic, unethical, aggressive, rigid, and impaired, and suggests ways to more effectively deal with them. The reader will be able to identify his or her own toxic behaviour, realize its impact, and contain it.

Richards, Rebecca A. **Informal Discipline: Problem Employees.** North York, Ont.: CCH Canadian Ltd.; Vancouver, B.C.: CGA Canada, 1999.
HF5549.5 E42 R52

Informal employee discipline is used before formal discipline, unless the problem is very serious. This Canadian "how to" manual details the use of informal discipline to resolve problem behaviour and avoid formal discipline or termination. The nine phases of the procedure are presented using worksheets and example scenarios.

The author explains what causes problem employees and how to monitor and investigate inappropriate employee behaviour. She offers approaches to a preliminary diagnosis of the problem; developing a strategy for a constructive feedback meeting with the employee; designing an action plan to which both parties agree; and monitoring and reinforcement of the action plan.

Options are explored for repeat offenders and no-win cases.

Scott, Gini Graham. **A Survival Guide for Working with Humans: Dealing with Whiners, Back-Stabbers, Know-It-Alls, and Other Difficult People.** New York, N.Y.: AMACOM, 2004.
HD42 S362

This book, written in a conversational style and based on the author's experience, identifies many of the common types of workplace conflict, offers a choice of practical solutions, and evaluates the effectiveness of options. Personality types associated with workplace conflict are profiled.

The author approaches a problem as an opportunity and looks for positive aspects of whatever outcome is achieved.

NOTES

1. *For other available references in French language only, see the French version of the Workplace Gazette / Gazette du travail*
2. *Employees of Social Development Canada and Human Resources and Skills Development Canada can borrow these items from the Departmental Library. Others can borrow them through their own library.*

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YESTERDAY and TODAY

Suzanne Payette
Workplace Information Directorate
Labour Program, Human Resources and Development Canada

Union Security Provisions

Fifty Years Ago...

Approximately nine out of every ten agreements in the 1954 database contained some provision for union security. The main union objective in bargaining security clauses is to ensure the support of the largest possible number of the employees in the bargaining unit. Since membership support and financial support are important to the union, security has these two main aspects, one related to union membership, the other to the payment of dues. Through collective agreements, many unions endeavour to have the company employ, or retain in employment, only union members throughout the bargaining unit.

In a closed shop, all employees in the bargaining unit must be members of the contracting union and, as a rule, the employer must hire only union members. A union shop agreement requires all employees to become union members. The employer is entirely free to employ non-union workers, but they must join the union within a specified period. A modified form of union shop exempts from compulsory membership all employees who are not union members at the time the agreement comes into force. In a maintenance of membership provision, employees are under no obligation to join the union. However, those who do must, as a condition of continued employment, maintain their union membership throughout the life of the contract. In some agreements there is a type of escape period, usually at the end of the term of the agreement and occasionally at the beginning of the term.

Check-off provisions refer to the deduction of union dues at source. The Rand Formula is derived from a 1945 decision rendered by U.S. Justice Rand, who was the arbitrator in a dispute between the Ford Motor Company and the United Automobile Workers of America. The main principle of this decision was that union dues be deducted from the pay of all employees in the bargaining unit, whether or not they are members of the union. This reduces the "free rider" effect, where employees benefit from the wages and working conditions negotiated on their behalf by the union without having paid union dues. The formula also ensures financial security for the union. The formula includes a stipulation that it shall apply to regular union dues only.

Today

These forms of union security and the use of the Rand Formula still exist in collective agreements. The table shows where differences have occurred in the last 50 years. The Rand Formula has become prevalent—such provisions are now used in 92 per cent of collective agreements, compared with just 15 per cent in 1954. At the same time, union shop provisions are in place in 40 per cent of agreements, up from 13 per cent 50 years ago.

Union Security Provisions

	1954		2004	
	Agreements	Employees	Agreements	Employees
	%	%	%	%
Closed Shop	12	8	10	10
Union Shop	13	9	40	31
Modified Union Shop	14	11	14	15
Maintenance of Membership	8	12	3	2
Rand Formula	15	15	92	95

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